

REPORT
OF THE
DEBT COMMISSION
IN THE SUIT OF

His Highness the Nizam's Government—PLAINTIFF.

Versus

Kishen Ram Mohan Lal, Nathmal
Gobardhan Das and Others } —DEFENDANTS.

WITH THE
ORDERS OF GOVERNMENT THEREON.

HYDERABAD-DECCAN.

A. VENOGOPAL PILLAI & SONS,
Printers to H. H. the Nizam's Government.

1900.

Translation.

OFFICE OF THE FINANCIAL SECRETARY,

HIS HIGHNESS THE NIZAM'S GOVERNMENT.

Dated the 26th Amardad 1309 Fasli.
14th Rabi-ul-arwal 1318 Hijri.

No. 2360.

HIS HIGHNESS THE NIZAM'S GOVERNMENT. —*Plaintiff.*

VERSUS

KISHEN RAM MOHAN LAL, NATHMAL } —*Defendants.*
GOBARDHAN DAS AND OTHERS. }

FROM

NAWAB IMAD JUNG BAHADUR,

Officiating Financial Secretary.

TO

THE ACCOUNTANT GENERAL,

H. H. the Nizam's Government.

By order of His Excellency the Minister.

In continuation of this office letter No. 157 dated the 15th Mihar 1303 Fasli, communicating to you the orders of His Excellency that the settlement of the accounts of such Sahus as held Treasury bonds for the debts due by Sir Salar Jung's Estate and were themselves indebted to the Government, should be entrusted to the Debt Commission, which would, after the necessary enquiry, submit its report to the Government for sanction, I have the honor to state that there were in all three Sahus who came under this category. The Government claim against one of these was decided in 1306 Fasli, and that against the remaining two, Kishen Ram Mohan Lal and Nathmal Gobardhan Das, was recently disposed of by the Debt Commission which forwarded its report to this office with its letter No. 89 dated the 14th Tir 1309 Fasli. The report was duly submitted to His Excellency who has been pleased to accord his sanction to all the recommendations contained therein. A copy of this report is herewith enclosed with the request that you will be so good as to adjust the accounts in accordance with the said recommendations.

2. The amount of the principal due to the Government by the defendants Nos. 1 and 2 is fixed by the Commission, at Chalni Rupees 21,52,585-9-2 equivalent to Halli Sicca Rupees 19,56,896-8 0. The said defendants have been declared not liable for a sum of Chalni Rupees 1,32,062-8-0, equivalent to Halli Sicca Rupees 1,20,000-0-0 for which amount certain Jaghirdars to be named hereafter have been

held responsible. In order therefore to adjust the accounts you should credit the said sum of Halli Sica Rupees 1,20,000 to the two Sowkars and debit it to the Jaghirdars.

Of Sultan Nawaz Jung's debts guaranteed by the Government, the Commission has awarded only the amount actually paid to him in cash from the Government Treasury up to the end of 1308 Fasli, and deferred settlement of the amounts to be paid hereafter (*vide* paras. 12, 18 and 19 of the report of the Commission).

3. From the sums realized from the estates of the two defendants and credited to them in the Government accounts up to the end of 1308 Fasli, the Commission has deducted a sum of Rupees 1,81,525-13-1 as detailed below, and allowed the remaining amount of Rupees 5,11,387-7-10. The items so deducted should therefore be debited to these accounts according to the recommendations of the Commission contained in para. 25 and credited under the heads indicated by them:—

	Rs.	a.	p.
a. Received from Jaghirdars on account of Mohan Lal's <i>chitties</i>	1,04,191	9	0
b. Interest on account of Sir Salar Jung's debts accruing to Mohan Lal	66,209	12	10
c. Payments to pleaders in certain cases against Mohan Lal	1,665	0	0
d. Realized from Nathmal Kishen Lal's estates	9,156	7	3
Total	1,81,525	13	1

4. The Commission in para. 26 of its report has recommended the credit of certain sums realized by the Government from the debtors of the defendants, but not credited to them. There are four such sums aggregating Rupees 55,919-4-11 as per details shown below. They should, therefore be credited to the defendants account:—

1. On account of Rajah Mansingh Rao Jado Zamindar of Daulatabad, District Aurangabad	Rs.	a.	p.
	40,000	0	0
2. On account of Venkobai Deshpandia of the Medak District	3,799	7	5
3. Realized from a number of debtors in the Naldurg District	7,052	12	3
4. Realized from a number of debtors in the Bidar District	5,067	1	3

5. The Commission, having discussed in paras. 27 to 30 the matter of the hypothecated jewels, has decided that Rupees 2,93,626-5-6 should be credited in the account of the defendants Nos. 1 and 2. The jewels, the price of which has been awarded to these defendants, had in reality been handed over to Hargopal

Das Sahu and Kishen Das jeweller for sale. Consequently according to the decision of the Commission contained in para. 36 of its report, the sum of Rupees 56,272-12-3 on this account should be debited against the heirs of Hargopal Das, defendant No. 3, and realized from them. Some of the jewels which were handed over to Hargopal Das by the Government and for which his heirs have been held liable, were hypothecated by him to Rajah Gyangir. I have therefore to request that in accordance with the decision of the Commission contained in para. 36, you will be good enough to intimate to the said Rajah that the Government does not consider itself liable for the said transaction, and that he is at liberty to seek any redress he may be advised against the heirs of Hargopal Das.

The remaining sum of Rupees 2,37,353 9-3 should be debited to Kishen Das jeweller. The Commission has dealt with the question of the jewels made over to Kishen Das in paras. 49 to 45 of its report. It has come to the conclusion that some of these jewels were purchased by the Government through Kishen Das. The price of these, namely, Chalni Rupees 43,536-0-0, equivalent to Halli Sicca Rupees 39,576 6-0 (para. 43) and Chalni Rupees 37,266-0-0 equivalent to Halli Sicca Rupees 33,878-3-3 (para. 44) should be credited to his account. Allowing credit for these sums, a balance of Rupees 1,63,899-0-0 still remains due. You will therefore trace the heirs and estate of Kishen Das and institute a claim against the said heirs before the Commission, so that a decree may be secured after due inquiry.

6. The decision of the Commission with regard to the price of commodities supplied by the firm of Nathmal Gobardhan Das to the Government and pledged by its proprietor in liquidation of these debts, has been recorded in para. 31. It is to the effect that, according to the Government accounts, the defendants are entitled to a set off of Chalni Rs. 1,82,736-11-6 equivalent to Halli Sicca Rupees 1,66,124-8-6 on account of the price of these commodities. The said sum should therefore be credited to the account of the two defendants and debited to the head "Payments to His Highness."

A sum of Chalni Rupees 2,14,000-0-0 equivalent to Halli Sicca Rupees 1,94,545-7-3 was paid to Sheolal Motilal the partner of Nathmal Gobardhan Das, on account of these establishments, and it was debited in the Treasury accounts as a loan to Nathmal Gobardhan Das. The Commission has disposed of this item also and decided that the payment was properly made and that setting off this sum against the arrears of the establishment's account, the sum of Rupees, 1,66,124-8-6 should be given credit (to the defendants). You will therefore, debit this sum of Halli Sicca Rupees 1,94,545-7-3 to the account of the supply of commodities and credit it to the account of the loan advanced to Nathmal Gobardhan Das, which is a transaction distinct from Mohun Lal's partnership transaction.

7. Among the estates handed over to the Government by Kishen Ram Mohan Lal are the Makta villages, Bachwaram, and Yellapore, belonging to Gunde Rao Deshpandia of the Medak District which are still administered by Government. The said Deshpandia had some objections as regards certain sums of the Sahu's debts which have disposed of by the Commission in para. 32 of

its report. The sum of Rupees 8,651-0-0 should, therefore, in pursuance of the decision of the Commission, be credited to the defendants Nos. 1 and 2 and realized from the said *Muktas* which are still under attachment.

8. Kishen Ram Mohan Lal and Chummi Lal, the present representative of Nathmal Kishen Lal, hold Treasury bonds for Rupees 2,15,711-5-0 and Rupees 73,616-7-9 respectively on account of the Salar Jung debts. The Commission has decided in para. 33 of its report that the principal of these two bonds should be set off against the Government claim. You are therefore requested to debit the total principal sum of H. S. Rupees 2,89,327-12-9 in liquidation of the Salar Jung debts and credit the same to the loan account of the two defendants.

Although the Commission has left the question of the interest of the Government claim pending disposal; it has however thought it desirable to finally adjust the question of interest of these two bonds. Accordingly the sum of Rupees 7,08,088-1-0 on account of the interest due on the two bonds to the end of 1308 Fashl should be debited as payment of interest on the Sir Salar Jung debts and credited as interest due on the Government debts against the *Sahus*. As the whole amount of the two bonds is thus fully satisfied, they should be taken back from the possession of the *Sahus* with an endorsement to the effect that the principal and interest having been fully realized they relinquish all claim on their account.

9. In paras. 12 and 18 of its report, the Commission has absolved the last two defendants from liability for H. S. Rs. 1,20,000-0-0 on account of *chitties* drawn on certain jaghirdars and has held the latter responsible for the amount. The sum of Rs. 1,04,494-9-0 which, having been realized up to the end of 1308 Fashl on account of the said *chitties*, was credited to the said two defendants, should now in pursuance of the findings of the Commission recorded in para. 45 be transferred from their credit to that of the jaghirdars by means of cross entries as has already been stated in paras. 2 and 3 of this letter. Thus the defendants Nos. 4, 5 and 6 are liable for an aggregate sum of Rs. 42,811-13-9 consisting of Rupees 15,505-7-0 principal, and Rs. 27,306-6-9 interest, for default of payment on the dates stipulated. The Commission has discussed and determined the liabilities of each of the said defendants in paras. 37, 38 and 39 of its report which may be summarised as below:—

	Principal.			Interest.			Total.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
1. Abbas Ali Khan defendant No. 4 representative of the late Sirdar Ali Khan Jaghirdar.	4,249	15	9	6,153	10	3	10,403	10	0
2. Nawab Tahavvar Jung Rukhn-ud-Daulah Bahadur Khan-i-Dauran defendant No. 5 ...	4,255	7	3	6,806	8	3	11,061	15	6
3. Mohamed Anwar Khan defendant No. 6, representative of the late Mohamed Daood Khan and Mohamed Ali Khan ...	7,000	0	0	14,346	4	3	21,346	4	3

The sums specified above should therefore be entered in Government accounts as due by each of the three Jaghirdars respectively, and should be recovered from them. As the various pleas advanced by these defendants have been fully discussed and finally disposed of by the Commission, no further objections as regards the payment of the sums due by them should now be entertained. Should they fail to pay these sums on demand made by you, you will apply to this office for the attachment of their property.

10. The Commission has advised the Government in para. 35 of its report in clear terms, as regards the estates hypothecated by the defendants Nos. 1 and 2. In view of the said recommendations the savings accruing up to date from the Silladari horses which have been kept in deposit in the Brigade Office or other office concerned should be caused to be remitted to the Government Treasury and credited to the account of the said defendants and steps should also be taken in communication with the Brigade Office for the sale by public auction of the right and interest of the second defendant in these horses and the proceeds of the sale should be credited to the account of the first two defendants. Whatever assistance you require to carry out this order will at once be given by this office. As regards the remaining properties you are desired to act as advised by the Commission.

11. The instalments of the debts guaranteed by the Government paid to Sultan Nawaz Jung Shumshir-ul-Mulk Bahadur from the Government Treasury up to the end of 1308 Fasli were in fact paid on account of two such debts, the one due by the Defendants Nos. 1 and 2 and the other by the heirs of Hargopal Das. Every payment of the instalments therefore ought to have been entered in both the accounts in accordance with the terms agreed upon. Your office has however failed to do so, and this will lead to diminish the liability for future interest in one case and to enhance it in the other. The Commission has very clearly pointed out this error and the mode of its future rectification in para. 47 of its report. This error should therefore be rectified as directed by the Commission and Sultan Nawaz Jung Shumshir-ul-Mulk's account to be hereafter compiled should show each transaction separately in the light of the directions of the Commission thus avoiding the saddling of any party with interest in excess of his actual liability.

It also appears from the report of the Commission that of the two said guaranteed debts there remains a balance of Rs. 45,549-2-4 only payable on account of principal exclusive of interest. You are therefore requested to compile separate balance sheets for each transaction and submit them early to this office to enable me to come to a final settlement with Sultan Nawaz Jung.

12. In addition to the debt of forty thousand Rupees transferred by Nathmal Kishen Lal, Defendant No. 2, in liquidation of the Government claim just disposed of, the adjustment of which has been proposed by the Commission in para. 26 of its report by means of cross entries in the Zamindars Busum accounts pending settlement in the Aurangabad District Treasury, and the carrying out of which proposal has already been directed in para. 4 of this letter, Raja Mansingh Rao Jado owed to the Government a sum of Halli Sicca Rupees 84,000-0-0 which was paid from the Government Treasury to Sultan Nawaz Jung in liquidation of

his debt of eighty-thousand Rupees against the Rajah. Of the said sum Rupees 43,708-5-3 were realized up to the end of 1303 Fasli, leaving a balance of Rupees 40,291-10-9 still due. The Commission in para. 48 of its report has recommended that the said balance with interest thereon, should be recovered from the Zamin-dar's Rusums still pending settlement in the Aurangabad Treasury which are believed to be sufficiently ample to meet this demand. You are therefore requested to adjust this item also by means of cross entries as directed by the Commission. No further Government demand remaining to be satisfied, it would be easy to effect a settlement of Sultan Nawaz Jung's debt against his debtor by compiling and adjusting their mutual accounts.

13. Copy forwarded to the Secretary of the Debt Commission of His Highness the Nizam's Government in reply to his letter No. 89 dated the 14th Tir 1309 Fasli.

(Sd). MAHMUD ALI.

Assistant Secretary.

REPORT

OF THE

DEBT COMMISSION

IN THE SUIT OF

HIS HIGHNESS THE NIZAM'S GOVERNMENT.—Plaintiff.

VERSUS

- | | |
|---|---------------|
| 1. Mohan Lal, representative of the firm of Kishen Ram Mohan Lal, | } Defendants. |
| 2. Chunni Lal, a adopted son of Kishen Lal, representative of the firm of Nathmal Gobardhan Das, | |
| 3. Ramlal and others, heirs of Hargopal Das, representatives of the firm of Mahanand Ram Puran Mal, | |
| 4. Abbas Ali Khan, heir of Sardar Ali Khan, Jagirdar, | |
| 5. Tahavvar Jung Rukn-ud-Dowlah, Khan-i-Dauran Khan Bahadur, | |
| 6. Mohamed Anwar Khan, heir of Nawab Daood Khan and of Mohamed Ali Khan of Kurnool, Jagirdar. | |

Claim Rupees 61,20,870-1-5.

(Principal Rs. 15,48,048-7-7 + Interest Rs. 45,72,321-9-10).

1. The Government claims Rupees 61,20,870-1-5 including principal and interest from the first two defendants on account of sums advanced to them or their creditors, from time to time, from the Central Treasury. In the course of the enquiry, it was discovered that a portion of the jewels hypothecated by them were made over to the firm of Mahanand Ram Puran Mal, which failed to pay the total value of these jewels into the Treasury and the representatives of that firm have accordingly been made parties to the suit as defendant No. 3. Defendants Nos. 4, 5 and 6 were also joined as parties after the institution of the claim, as it was found that certain debts due by them to the First Defendant, which had been transferred to Government by the consent of all parties, were not fully liquidated. It would thus appear that, although Government has claims against all the defendants, the principal debtors are defendants Nos. 1 and 2.

2. The Government claim against the first two defendants is based on five different causes of action, and the total amount of principal now claimed has

been arrived at after deducting certain sums subsequently realized from their estates, as per details given below :—

	CHAJNI RS.	A		P	EQUIVALENT TO HALLI SICCA RS.	A		P
1 Advance from the Treasury as per bond, dated 25th Rabi-ul-awal 1289 Hijri	12,90,845	1	8		11,73,495	8	6	
2 Advance from the Treasury as per application by the defendants, dated 22nd Jamadi-us-sani 1289 Hijri	1,00,000	0	0		90,909	1	6	
3 Do. do. dated 10th Rajab 1289 Hijri	80,000	0	0		72,727	4	6	
4 Orders issued to the districts on notes of Jagirdars, dated 18th Shaban 1289 Hijri	99,062	8	0		90,056	13	3	
5 On account of Sultan Nawaz Jung's debt guaranteed by Government...	7,64,845	8	6		6,95,314	4	3	
Total	23,34,753	2	2		21,22,503	0	0	
Deduct sums recovered ... ..	...	...	...		5,74,454	8	5	
Balance ... ..	...	...	...		15,48,048	7	7	

Government have charged interest on their principal to the extent of Rupees 45,94,848-5-9 and after deducting Rupees 22,026-11-11 for counter interest, have claimed Rupees 45,72,821 9-10 on that account ; thus making an aggregate claim of Halli Sicca Rs. 61,20,870-1-5.

3. In the course of the enquiry, it was ascertained that some of the jewels hypothecated by defendants Nos. 1 and 2 were entrusted by Government to Hargopal Das, the then representative of the firm of Muhanaad Ram Puran Mal, with the object of effecting a sale, and that Hargopal Das paid a certain sum into the Treasury as a portion of the proceeds of the sale. The present representatives of the firm were therefore made parties to the suit.

4. The three jagirdars, who have been made defendants Nos. 4, 5 and 6, were the debtors of the firm of Kishen Ram Mohan Lal who handed to Government *chitthis* or accepted bills of exchange amounting to Halli Sicca Rupees 1,20,000. The greater portion of the amount due on this account has already been realized, but a small sum is still outstanding and it was for this reason that these jagirdars were made parties to the present claim.

5. Another person, named Kishen Das Jauhri, had received from Government a large number of the jewels which had been hypothecated by the first two defendants with the object of effecting a sale. He paid the sale proceeds

of some, but a large amount is still due. Kishen Das is now dead and no legal representatives of his have yet been traced, nor does any property of his seem to be available. So far as this person therefore is concerned, any final decision will have to stand over, but the Commission have not, for that reason, thought it necessary to defer the enquiry as regards the other defendants.

6. Defendant No. 1 admits the execution of the several documents filed on behalf of the Government and the payment of moneys from the treasury to himself and his co-debtor Nathmal Kishen Lal. He, however, states that, according to an agreement subsequently arrived at between himself and his co-debtor and the Government, he is personally liable only to the extent of half the joint debt, his co-debtor being liable for the remaining half. As regards item No. 5, which is on account of Sultan Nawaz Jung's debt guaranteed by the Government, he states that he was not a party to the amicable settlement arrived at between the Government and Sultan Nawaz Jung, and therefore he cannot be held responsible for any of the terms of that settlement. He urges that, after deducting the payments made by him to Sultan Nawaz Jung towards the liquidation of this debt, a comparatively small sum is now due to the latter, out of half the sum of Chalni Rupees 5 lacs for which Government stood security. After a few more objections on minor points, the defendant prays that a decree be passed against him for any sum that may be found due from him according to accounts.

7. Defendant No. 2, on the other hand, states that his father Kishen Lal, the alleged debtor, was insane and incapable of understanding the nature of the transactions into which he was then entering, and, beyond a sum of Halli Sicca one lac of rupees that was actually received by his predecessor, he is not responsible for any other item claimed by the Government. The above sum being more than covered by payments received by Government from his estate, this defendant prays that a decree be passed in his favour for the balance with interest. Defendants Nos. 3 to 6 practically admit liability for the sums alleged to be due from them, raising objections as regards certain small items or other minor points.

8. The Commission considers it necessary to dispose of the objections raised by defendant No. 2 first, for, if we accept the pleas raised by him, we shall not be required to enter into the question of the alleged mutual agreement of apportioning half the debts to each of the two defendants. The following are the points for determination in respect of the pleas advanced by defendant No. 2:—

- (a.) Kishen Lal, father of defendant No. 2, was insane and incapable of transacting any business.
- (b.) Defendant No. 2 is not liable for any portion of the bond, dated 25th Rabi-ul-arval 1289 Hijri, beyond the sum of Halli Sicca Rupees 10,00,000.

- (c.) The said defendant is not liable for any portion of the sum of Rupees 2,79,062-8-0 debited to the two defendants after the said bond.
- (d.) The said defendant is not liable for any portion of the debt of rupees 5,00,000 due to Barak Jung (Sultan Nawaz Jung) guaranteed by Government.

9. With regard to the point at issue (a), we have first to consider the oral evidence recorded on behalf of both parties. Defendant No. 2 has cited six witnesses in support of his contention. Of these, Mohan Lal, defendant No. 1, gives evidence against him, but as he is a hostile witness and is personally interested in making defendant No. 2 jointly responsible with himself for the transaction, we shall only rely on such portions of his evidence as are corroborated by independent testimony. Of the remaining five witnesses, Seth Ramlal and Nawab Imad Nawaz Jung Bahadur are two respectable gentlemen. Seth Ramlal knows nothing whatever about Kishen Lal. He says that he only saw him once and on that occasion too he had no conversation with him which would enable the witness to form an opinion as to his insanity or otherwise. Nawab Imad Nawaz Jung Bahadur, on the other hand, pronounces him to have been insane. He, however, admits that he was at the time posted in the districts and he only saw Kishen Lal occasionally when he came to Hyderabad on a visit. Of the remaining three witnesses, who are all men of ordinary status, one named Ram Nath was formerly Gumashta of the firm of Nathmal Gobardhan Das, while the other two were casual acquaintances of the deceased. Even Ram Nath's evidence does not go sufficiently to establish the insanity of Kishen Lal. Ram Nath does state that Kishen Lal was insane and did not transact the business of the firm, but his evidence is based more upon inferences than actual observation. He says that he was not directly connected with the shop, where all the business of the firm was carried on. He was at first posted to the Modikhana (provision shop) and subsequently transferred to the Risala (Cavalry Regiment), where Kishen Lal's firm had business dealings, and in both these capacities, he only occasionally went to the main shop; on the occasion of these visits he only dealt with the Gumashuas, in whose doings Kishen Lal did not interfere. The other two witnesses, Gobardhan Das and Ratanlal, went to the defendant's shop occasionally on business, and from observations they then made they are of the opinion that Kishen Lal was insane. This, in short, is a summary of the evidence produced by defendant No. 2. Defendant No. 1 has cited three witnesses in refutation of the evidence recorded on behalf of defendant No. 2. Of these, one, Narhari Prasad, is a respectable Mansabdar and the remaining two, Punam Chand and Ram Baksh are men of ordinary status in the mercantile community. All these three state from observations made during actual business transactions with Kishen Lal that he was sane and personally conducted the business of his firm. Taking the

evidence of both parties into consideration, we are not satisfied that the insanity of Kishen Lal has been established. The witnesses produced by defendant No. 2 in support of his allegation, are none of them such as, either through business relations or family connections, could come in frequent intercourse with Kishen Lal and express a decided opinion about his sane or insane condition. None of the Gumastas of the firm have been cited with the exception of one man, who seldom came across Kishen Lal. Captain Ahmad-bin-Abdulla commanded the Cavalry Regiment with which the firm of Kishen Lal had dealings. This officer is now alive, and although his brother, Nawab Imad Nawaz Jung, who only occasionally visited Hyderabad, has been produced as a witness, no attempt has been made to get his evidence recorded. Then it appears that there are some near relatives, family members, or personal attendants of the deceased, who, from their intimate knowledge, could throw light on his mental condition. No such persons have however been produced as witnesses. Two persons, *viz.*, Rajah Motilal Bahadur and Motilal, a former Gumashta of the firm of Nathmal Gobardhan Das, were actually cited as witnesses but subsequently withdrawn. This being so, we look upon the plea of insanity with disfavour.

10. Apart from the oral evidence discussed by us, there is overwhelming documentary evidence to show that Kishen Lal used to conduct the work of the firm of Nathmal Gobardhan Das personally and could not therefore have been a person of unsound mind at the time these liabilities were incurred and for some years subsequently. The bond dated 25th Rabi-ul-arval 1289 Hijri and the list of property hypothecated under the bond (marked as exhibits 1 and 2) both bear the signatures of Kishen Ram Mohan Lal and Nathmal Kishen Lal. Mohan Lal admits his signatures on them, but defendant No. 2 urges the following objections with regard to his father's signatures. He admits that the name of Kishen Lal is inscribed on both these documents but states that his father Kishen Lal, being insane and incapable of writing, could not have signed his name on these documents. Mohan Lal and the witnesses Ram Baksh and Punam Chand, on the other hand, state that the signatures on these documents are those of Kishen Lal, the father of the 2nd defendant. It is in evidence and, in fact, admitted by defendant No. 2 that there was no person bearing the name of Kishen Lal connected with the firm of Nathmal Gobardhan Das with the exception of defendant's father, either before or after the bond was executed. The bond as has been previously stated, amounts to Chalni Rupees 12,90,845-1-8. The whole of this amount was not advanced to the defendants in one lump sum at the time of the execution of the bond. On the other hand, various sums aggregating Rupees 12,45,000 were advanced to them from time to time during a period of nearly two years, and the bond was subsequently executed with the addition of Rupees 45,845-1-8 as interest. The defendant has admitted liability for Half Sicca Rupees 1,00,000 (Chalni Rupees 1,10,000), out of the proceeds of this bond. He was perforce obliged to make this admission, as this amount is actually credited to His Excellency Sir Salar Jung Mukhtar-ul-Mulk in the

account books of the firm of Nathmal Gobardhan Das, on Margsir Badi 15 Sambat 1928 (corresponding with the 28th Ramzan 1288 Hijri) and the entry expressly states that the sum was received from the Government Treasury. Now the receipt for this amount filed in the Treasury (exhibit No. 4) is signed by Kishen Lal. This signature is similar to those on exhibits Nos. 1 and 2, and on a comparison of the three signatures, they are found to be in the handwriting of one and the same person. This coincidence is remarkable, and, if the plea of the defendant were to be admitted, we would have to come to the conclusion that Government officials not only conspired with defendant No. 1 in forging the signatures of Kishen Lal on the bond and its accompaniment, but also on the receipt for the single amount which defendant No. 2 admits to have been received by his firm. (On referring to the *nakal bahis* for Sambats 1927 and 1928 and journal (*Roznamcha*) for Sambat 1928 of the firm of Nathmal Gobardhan Das, we find that these account books bear the signatures of Kishen Lal on various dates, and these signatures correspond with those on exhibits Nos. 1 and 2. In fact, even defendant No. 2 has been obliged to admit the similarity of all these signatures. These account books have been produced from the custody of the defendant himself and there is nothing to show that they were tampered with either by defendant No. 1, or by any other person interested in foisting responsibility on the firm of Nathmal Gobardhan Das. This circumstance also leads to the conclusion that Kishen Lal was sane and personally conducted the business of his firm.

A house belonging to defendant No. 2 is situated in *charkaman* and was the habitation of the family up to the time that Kishen Lal left it, some time previous to his death, to reside within the Residency limits. This house was attached in the execution of the decree of Sultan Nawaz Jung, during the life time of Kishen Lal, and the attachment still continues. In the course of this inquiry a search was made by order of the Commission for some books and papers belonging to the firm of Nathmal Gobardhan Das, in the presence of Court officials and of the representatives of the several parties to the suit. On the occasion of this search, a number of Hundis, letters, and other papers belonging to the firm were found in the house, which have been marked as exhibits 92, 93, 94, 95, 96, 97, 98, 99, 100, 101 and 102.—Of these, exhibits 92, 93, 94, 95, 97 and 99 bear the signatures of Kishen Lal, and expert opinion proves that these signatures are in the writing of the same person who signed exhibits 1 and 2. These documents have been produced from proper and safe custody and no suspicion of their being tampered with can possibly arise. The fact that they and exhibits 1 and 2 bear the signatures of one and the same person, is another link in the chain of presumptive documentary evidence in favour of the Government.

On the adoption of Chunni Lal by Kishen Lal, Kishen Das, the natural father of Chunni Lal, found fault with the work of the then Munim or Chief Gumashta of the firm, Ram Pratap, and eventually succeeded in procuring his dismissal and securing his own appointment to that post. In announcing this circumstance to Government, in his petition dated 29th Rabi-ul-avval 1295 Hijri, or exactly six years after the execution of exhibits 1 and 2, Kishen Lal prays that Ram Pratap should no longer be allowed to appear for him before the Prime

Minister and that thereafter Kishen Das should be addressed in all matters connected with his case (then pending in one of the offices). The signature of Kishen Lal on this petition (exhibit 50) is, according to expert opinion, in the handwriting of the same person who signed exhibits 1 and 2.

All this documentary evidence conclusively proves that Kishen Lal, the adoptive father of defendant No. 2, conducted the business of the firm for several years after the death of his father Nathmal, and this being so, the plea of the defendant that he was insane and incapable of entering business transactions falls to the ground. There is another circumstance which knocks this plea of Kishen Lal's insanity in the head. The present defendant, Chunni Lal, was admittedly taken in adoption as the son of Kishen Lal, some seven or eight years after the execution of exhibits 1 and 2. The defendant's case is that Kishen Lal continued insane from the life time of his father, Nathmal, up to the time of his own death in Sambat 1944, or 16 years after the transactions in dispute. If this were so, Chunni Lal, who appears to have been adopted during the insanity of his adoptive father, apparently without any legal authority according to Hindu Law, would have no legal status to appear before us as the representative and heir of Kishen Lal, and we would have no authority in entertaining any pleas he may bring forward in refutation of the Government claim. Kishen Lal appears to have become insane at the time of his death. He was also subject to fits of epilepsy during the greater portion of his life. These two circumstances have been laid hold of by the defendant and a superstructure built upon them in order to defraud Government of the moneys actually advanced from its Treasury, out of a humane but misplaced feeling of pity for two of the prominent firms of Sowcars in Hyderabad to save them from ruin. On the evidence as discussed above, we hold that Kishen Lal was not insane at the time of executing exhibits 1 and 2, and we decide this issue against the 2nd defendant.

11. Point at issue (b) is as follows :—

“ Defendant No. 2 is not liable for any portion of the bond dated 25th Rabi-ul-avval 1289 Hijri beyond the sum of Halli Sicca Rupees 1,00,000.”

The Government having succeeded in proving the execution of the bond by the defendant's father, it was for the defendant to prove that his liability was limited to the extent of one lac of Rupees only. Beyond the circumstance that an entry of only one lac of Rupees has been made in the account books of the defendant's firm in the name of Government, there is not a tittle of evidence to show that the bond was obtained by any fraudulent means, or that the defendant's firm derived no benefit from the amounts that were advanced to the co-debtors from time to time. Exhibits *a, b, c, d* and *e* on behalf of the 2nd defendant are office memos of the Central Treasury with the endorsements of His Excellency Sir Salar Jung, authorizing certain sums to be advanced to Mohan Lal previous to the execution of Exhibit 1. The defendant argues from the omission of the name of Kishen Lal in these documents that he is not responsible for their amounts. It

appears to us that, as these documents were written previous to the execution of the bond, the defendant is not entitled to refer to them after the sanity of his father, Kishen Lal, has been satisfactorily proved. Moreover, these documents merely authorize payment of the money, and would be worthless as proving payment unless receipts of the payee or payees were forthcoming. The receipts (exhibits 5 and 6) for the sums entered in exhibits *c* and *d* amounting to Chalni Rupees 4,95,000 were executed by Ram Pratap, the Chief Gumashta of the firm of Nathmal Gobardhan Das. Thus, although the orders in these exhibits authorized payments to Mohan Lal, they were actually made to the firm of Nathmal Gobardhan Das. Of the sum of Chalni Rupees 12,45,000 paid out from the Treasury, Rupees 6,05,000 were actually paid to the firm of Nathmal Gobardhan Das on the receipts executed by Kishen Lal and Ram Pratap (exhibits 4, 5 and 6), while Rupees 6,40,000 were advanced to Mohan Lal (exhibits 3 and 7). When drawing the amount of exhibits 5 and 6, aggregating Chalni Rupees 4,95,000, Kishen Lal hypothecated jewellery belonging to himself and Mohan Lal, the value of which was at the time appraised at Chalni Rupees 4,72,100. The appraisers were two persons, named Kishen Das and Bansi Dhar, who appraised the value of Mohan Lal's jewels at Rupees 3,97,200 (exhibit 15) and that of Kishen Lal's jewels at Rupees 74,900 (exhibit 16). It is curious that, while Kishen Lal was drawing the large sum of nearly 5 lacs of Rupees for his own benefit, Mohan Lal allowed a large number of his jewels valued at nearly 4 lacs to be hypothecated as a satisfaction for the liquidation of that loan. The natural inference is that both the co-defendants had implicit confidence in each other and were conscious that loans taken by them from Government were for mutual benefit. It is true that a sum of only Chalni Rupees 1,10,000 (equivalent to Halli Sicca Rupees 1,00,000 admitted by the defendant) is entered in the defendant's books in the Government *khata*, but this proves nothing beyond the circumstance that Kishen Lal, for reasons best known to himself, chose to make entries in his account books in a certain manner, and it is not fair to expect a creditor, who having made actual payment, had fortified himself with a regular bond, to satisfy himself that the debtor had credited the amount in his own account books in the name of that creditor.

On referring to the account books of the firm of Nathmal Gobardhan Das from Samvat 1923 to Samvat 1928, we find that while, previous to 1926, the balance to the credit of Mohan Lal did not exceed a little over Rupees 61,000 in any one year, the amount of that balance, all of a sudden, rose to over Rupees 4,89,000 in that year, and continued to rise in the following two years until it reached the enormous sum of Rupees 9,20,613-11-0 in Samvat 1928. For a better elucidation of the transactions between the two firms during the years under reference, the following extracts from the *khata* of Mohan Lal in the books of Nathmal Gobardhan Das will be found interesting :—

Year.	Receipts including previous year's balance.			Disbursements			Balance in favour of Mohan Lal.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
1923	3,29,103	15	6	2,69,877	9	6	59,226	6	0
1924	1,62,638	3	3	1,01,579	2	3	61,059	1	0
1925	1,81,631	9	3	1,25,939	4	0	55,692	5	3
1926	6,79,674	8	9	1,89,778	1	9	4,89,896	7	0
1927	12,26,850	12	6	5,69,827	12	0	6,57,023	0	6
1928	13,31,846	1	6	4,11,232	6	6	9,20,613	11	0

Now, the first advance received by Mohan Lal from the Treasury was a sum of Halli Sicca Rupees 2,50,000 (equivalent to Chalni Rupees 2,75,000), on the 6th Jamadi-ul-avval 1287 Hijri corresponding with Srawan Sudh 8 Sambat 1927. Subsequently to that date various sums were advanced to Mohan Lal or Kishen Lal (the latter either executing a receipt under his own signature or under that of one of his Gumashtas) until the last item constituting the total sum of Chalni Rupees 12,45,000 amounting to Halli Sicca Rupees 1,50,000 equivalent to Chalni Rupees 1,65,000) was advanced on the receipt of Mohan Lal on the 19th Rabi-ul-avval 1289 Hijri (corresponding with Jaith Badi 6 Sambat 1929), or 6 days before the date on which exhibit 1 was executed. It is necessary here to explain the system of reckoning the Sambat and financial years adopted by *Marwari Sowcars* in this part of the country. Their Sambat year begins on Chait Sudi 1 and their financial year on Kartik Sudi 1. Thus their financial year contains five months of one, and seven months of the following. Sambat, and, although the entries in the book give the Sambat in which they occur, the financial year corresponds only to the Sambat in which it began. For instance, take two entries in one financial year, *viz.*, one in Magh Sambat 1940 and another in the month of Asadh Sambat 1941. Their respective Sambats will be recorded against both these entries, although they will both be entered in the books of only one financial year which will be called 1940. Having explained the system of reckoning the financial year of *Marwari Sowcars*, it is easy to understand that sums advanced to Mohan Lal or Kishen Lal, during the first seven months of Sambats 1927, 1928 and 1929 would be entered by them in their account books for the financial years 1926, 1927 and 1928 respectively. Thus, the first item of the loan of Chalni Rupees 12,45,000 advanced to the two Sowcars was paid in the financial year 1926, and the last in the financial year 1928, and it is only during the three intervening financial years that the balances in favour of Mohan Lal began to swell, until, at the end of 1928, they had reached the large sum of over 9 lacs of Rupees. Mohan Lal was not certainly in a position in those days to advance such large sums to the firm of Nathmal Gobardhan Das. He was in straitened circumstances and had

borrowed a considerable sum from His Highness' Government in order to enable him to tide over what he then considered his temporary difficulties ; and Kishen Lal too, under similar circumstances, borrowed a considerable sum from the Government. He, however, chose to credit to Government only Chalni Rupees 1,10,000. out of a total sum of Rupees 6,05,000 that he had drawn, and the balance, together with other items of accounts between himself and Mohan Lal, he credited to the latter. Certain items in the journal of Kishen Ram Mohan Lal for Sambat 1926 have been marked as exhibits *r*, *s* and *t* on behalf of defendant No. 2. These items correspond with the entries on the credit side of Mohan Lal's *khata* in the account books of Nathmal Gobardhan Das, indicating that the entries on the debit side of Mohan Lal's account books are similar to those on the credit side of the books of Nathmal Gobardhan Das. This method of keeping one's private accounts, however, does not prejudicially affect the claim of the Government, which is in possession of a regular bond executed by both the debtors. We therefore decide this issue in favour of the Government, and hold that both defendants Nos. 1 and 2 are jointly and severally responsible to Government for the amount of the bond.

12. We now come to consider point at issue (c) which is as follows:—

“The said defendant is not liable for any portion of the sum of Rupees 2,79,062-8-0 debited to the two defendants after the said bond.”

The following sums were debited to the defendants after the execution of exhibits 1 and 2, for which no regular bond was obtained from them :—

Number.	Date of payment.	Amount in Halli Sicca Rupees.			Equivalent Chalni Rupees.		
		Rs.	a.	p.	Rs.	a.	p.
1	22nd Jamadi-us-sani 1289 Hijri ...	90,909	1	6	1,00,000	0	0
2	11th Rajab 1289 Hijri ...	72,727	4	6	80,000	0	0
3	By means of <i>Ahakams</i> , dated 25th Shaban 1289 Hijri, on the First Talukdars of Parbhani, Shorapore, Raichore and Indur	90,000	0	0	99,062	8	0
	Total ...	2,53,636	6	0	2,79,062	8	0

The total sum of Chalni Rupees given here is in accordance with the statement of the defendants' accounts prepared in the Central Treasury at Hyderabad, and the corresponding total in Halli Sicca Rupees is the amount actually advanced to them. Owing to an error in converting Chalni Rupees into Halli Sicca, committed by the clerks in the Treasury, the Govern-

ment representative in paragraph 5 of his report has given the amount in Halli Rupees at 2,53,693-3-3, an excess of rupees 56-13-3 over the amount given above. We, have, however, rectified this mistake and given the correct amount according to the actual sums disbursed.

Of the three items given above, No. 1 was advanced in pursuance of a petition, dated 21st Jamadi-us-sani 1289 Hijri, signed by Mohan Lal and Nathmal Gobardhan Das (exhibit 8) and the amount was disbursed the following day, *vide* receipt of that date signed by Mohan Lal alone (exhibit 9). The signature of Nathmal Gobardhan Das on exhibit 8 is in the handwriting of Kunj Lal, one of the two principal Gumashtas of the firm of Nathmal Gobardhan Das, who used to conduct the work of the firm under the supervision of Kishen Lal. No portion of this amount has been credited by the firm of defendant No. 2 to His Highness' Government, but there are three separate credits given to defendant No. 1 on different dates, the amount of which very nearly approaches half the sum actually received from the Treasury, *viz.*, Chalni Rupees 49,800 (exhibits 42, 43 and 44), and so far as this sum of Chalni Rupees 1,00,000 is concerned, defendant No. 2 is equally responsible with defendant No. 1. An office memorandum bearing the endorsement of His Excellency Sir Salar Jung (marked as exhibit f on behalf of defendant No. 2) authorizing payment of this amount, contains the name of Mohan Lal alone, and the defendant relies on this in support of his contention that he is not responsible for the amount; but after the facts and figures referred to by us, this contention cannot be entertained. There is, however, one point which reduces the liability of the defendants on account of this amount. It appears from paragraph 18 of the Report of the Government representative that Mohan Lal gave *chitthies* or bills of exchange amounting to Halli Sicca Rupees 30,000 on three jagirdars which were accepted by them. This sum of Halli Sicca Rupees 30,000 = Chalni Rupees 33,000 has therefore to be deducted from the sum of Chalni Rupees 1,00,000 advanced to the defendants, and they are jointly and severally responsible for the sum of Chalni Rupees 67,000 only.

Item No. 2 amounting to Chalni Rupees 80,000 was disbursed on the 11th Rajab 1289 Hijri on a joint receipt signed by Mohan Lal and Kishen Lal (exhibit 10). The signature of Kishen Lal on this receipt is identical with those on other documents mentioned previously. No portion of this amount has been credited in the books of Nathmal Gobardhan Das to Government, but there are two items aggregating Chalni Rupees 41,225 credited to Mohan Lal (exhibits 45 and 46), which represent more than half the amount drawn from the Treasury and the deficiency of two hundred Rupees in the half of amount No. 1 is more than made up by the excess of Rupees 1,225 in the half of this amount. We, therefore, hold defendant No. 2 equally responsible for this amount with defendant No. 1, and disallow his (2nd defendant's) plea similar to that advanced in connection with the sum of Chalni Rupees 1,00,000 on the basis of an office memorandum authorizing payment to Mohan Lal alone (exhibit g on behalf of defendant No. 2).

As regards item No. 3. we are of the opinion that neither of the two defendants is responsible for it. Mohan Lal obtained *Ahakams* or Treasury orders on four districts for the payment of an aggregate sum of Halli Sicca Rupees 90,000 to his agents in those places (exhibits 11. 12. 13 and 14), and deposited bills of exchange drawn on three jagirdars amounting to Halli Sicca Rupees 90,000 in satisfaction of the amounts. The jagirdars promised to pay these bills within a specified period and the greater portion of them has been realized. The Government having accepted the transfer of this loan to the jagirdars, the first two defendants are absolved from liability, and the Government should take measures for recovering the money from the jagirdars. The latter have been added as defendants Nos. 4, 5 and 6 and further details will be given when we deal with the case as against them. It may be mentioned in this connection that, in preferring the claim against the first two defendants, Government has allowed the sums realized from the jagirdars in their account. Having absolved these defendants from liability, the sums realized on this account will have to be deducted from the payments credited to them. This portion of the case will be dealt with when we discuss the moneys that Government has realized from the estate of the first two defendants. We hold that the first two defendants are not liable for item No. 3. Our decision as regards point at issue (c) is that we hold the first two defendants jointly and severally responsible for a sum of Chalni Rupees 1,47,000 only, out of a total claim for Rupees 2,79,062-8-0 and disallow the claim for 1,32,062-8-0 as against them.

13. We have now to consider issue (d) as regards the liability of the 2nd defendant, which is as follows:—

“The said defendant is not liable for any portion of the debt of Rupees 5,00,000 due to Barak Jung (Sultan Nawaz Jung) guaranteed by Government.”

The circumstances in which Government stood surety for the debt due to Barak Jung, whose present legal representative is Nawab Sultan Nawaz Jung Shumshir-ul-Mulk, are these. The firms of Kishen Ram Mohan Lal and Nathmal Gobardhan Das being in straitened circumstances, Government advanced to them large sums of money amounting to over 15 lacs of Chalni Rupees, on the security of certain of their estates. These advances covered a period of about two years, and the last advance of Chalni Rupees 99,062-8-0 was made in Shaban 1289 Hijri. The sums thus advanced enabled them to pay off some of their creditors. Among these there was, however, one Nawab Barak Jung to whom both the firms owed several lacs of rupees. An estimate of the total amount due by the two firms to this gentleman can be formed from some of the papers filed in this suit. A statement of the accounts of the former firm lately filed by Sultan Nawaz Jung in the High Court (exhibit 79), shews that the latter considered the firm owing to him, in round numbers, a sum of Chalni Rupees 9,60,000 on the date that Government stood surety; while the extent of the liability of Nathmal Gobardhan Das may be estimated from the circumstance, that, according to the firm's own accounts (exhibits 103 and 104)

a balance of Rs. 4,67,000 in round numbers was due for principal alone to Sultan Nawaz Jung. From the judgment of the Darul Kaza Court subsequently obtained by Sultan Nawaz Jung against the firm, it appears that the total including principal and interest amounted to Rs. 9,56,000. This was the extent of the liabilities of the two firms to Barak Jung when Government was asked to intervene and stand surety to save them from ruin. As the sums already advanced by Government were barely sufficient to appease the other numerous creditors of these two firms, it was impossible for them to make any cash payment to Barak Jung out of the advances so received by them. Barak Jung, however, seeing their tottering position, probably insisted on obtaining some sort of substantial security for the repayment of at least a portion of his large debts, and the result was that Government stood security to the extent of five lacs of Rupees. The deed of suretyship, however, specified Kishen Ram Mohan Lal alone as the principal debtor, and it is for this reason that defendant No. 2 considers himself free from liability on this account. Were this deed the only document to guide us in this matter, we would hold the second defendant free from all liability on this account, but there is further documentary evidence to show the real intention of the parties to the transaction.

14. Apart from the circumstance that both the firms were largely indebted to Barak Jung, let us see what course of action Barak Jung and his legal representative have adopted as regards this guarantee of five lacs of Rupees. On looking at exhibit 79 already referred to, we find that Barak Jung has credited Kishen Ram Mohan Lal with Rs. 2,50,000 which is equivalent to only half the amount of the total guarantee. Were the Government guarantee intended for Kishen Ram Mohan Lal alone, Barak Jung would have credited him with the full and not the half amount. On scrutinizing the accounts of the firm of the 2nd defendant himself, we find two entries on page 61 of the *Nakal Bahi* for Sambat 1929 crediting the sum of Chalni Rs. 22,000 to one Syed Jafar and debiting the same amount to Nawab Mukhtar-ul-Mulk Bahadur on account of *jokham* or guarantee (exhibit 75). This amount is debited to Government in the ledger also (exhibit 76) on page 186 of the *Khata Bahi* for that Sambat. These entries are made on the 12th Ramzan 1289 Hijri or within three months from the date of the *jokham*, thereby indicating the acceptance of the liability by the firm within a very short period from the date of the transaction. Then again on page 63 of the *Nakal Bahi* for Sambat 1933, a sum of Rupees 28,099-13-6 has been credited to Nawab Shamsir Jung and debited to Mukhtar ul-mulk Bahadur on the 1st Shaban 1294 Hijri in the *jokham* account (exhibit 77) and on page 91 of the *khata* for the same year, the same amount has been shown on the debit side of the Government account (exhibit 78). There is this difference between the entries in exhibits 75 and 76 on the one hand, and 77 and 78 on the other, that while in the former the word "Jokham" alone has been used without any further explanation, in the latter that word has been qualified by the addition of the phrase "of Jamadar Barak Jung", thus removing any doubt that might possibly exist as to the identity of the transaction referred to in exhibits 75 and 76.

15. On the 22nd Rajab 1301 Hijri. Kishen Das, the principal Gumashta of the firm of Nathmal Gobardhan Das and the natural father of the 2nd defendant, presented a petition (exhibit 28) to Government repudiating liability for the various sums advanced from the Treasury with the exception of a sum of Chalni Rupees 1,10,000 and demanding an enquiry into the whole transaction. With this petition was appended a short statement of liabilities to Government admitted by the petitioner (exhibit 29) amounting to Rs. 5.40,000 as per details below :—

	Rs.	a.	p
Received from the Treasury on 28th Ramzan 1288 Hijri	1,10,000	0	0
Caused to be paid to Sheolal Motilal on ac- count of karkhana account	1,80,000	0	0
On account of the "Jokham" of Barak Jung Bahadur	2,50,000	0	0

Defendent No. 2 has admitted the signatures of his father Kishen Das on both these documents, so that their genuineness is unquestionable. The admission made in this document clearly established the liability of the firm of Nathmal Gobardhan Das for the debt guaranteed by Government.

Another petition presented by Kishen Das on the 23rd Jamadi-ul-avval 1295 Hijri (exhibit 51). while admitting liability for Barak Jung's debt guaranteed by Government, complains of the bad faith of Mohan Lal, and prays that the debt due to Government and Barak Jung be set off against certain sums that, according to him, were due by Government to the firm of Nathmal Gobardhan Das. Attached to this petition is a statement similar to the one in exhibit 29.

16. The entries in the books of Nathmal Gobardhan Das and the admissions made in their behalf from time to time clearly show that the firm from the beginning admitted liability for the loan of Barak Jung guaranteed by Government. Government have also regarded both Kishen Ram Mohan Lal and Nathmal Gobardhan Das as jointly responsible for this debt from the outset. So long ago as Ramzan 1290 Hijri, or 15 months after the date of the guarantee, Government caused a list of the assets of both the defendants to be prepared (exhibit 85), which would suffice to meet the guaranteed debt with interest. This list contains the assets of defendant No. 1 amounting to Rs. 2,90,349 and those of defendant No. 2 aggregating Rupees 2,41,100 which were then considered sufficient to meet the liability for this debt up to that date, amounting to Rs. 5,31,449 inclusive of principal and interest. Five years afterwards Mohan Lal and Nathmal Gobardhan Das were both peremptorily called upon by Government to liquidate this debt within three days, *vide* Ramchander Rao's Rubkar No. 6,496 dated 26th Zihijja 1295 Hijri (exhibit 86). Then again the Accountant-General wrote to the Judicial Secretary, *vide* Rubkar No. 1717 dated 31st Khurdad 1298 Fasli (exhibit 84) that Government held both Kishen Ram Mohan Lal and Nathmal Gobardhan Das responsible for the debt of Sultan Nawaz Jung guaranteed by it.

17. It will thus be seen that, although the deed of suretyship did not contain the name of Nathmal Gobardhan Das, yet all the parties to the transaction, not excluding Nathmal Gobardhan Das himself, considered him responsible jointly with Kishen Ram Mohan Lal, and it was for the first time after the lapse of 25 years that Chunni Lal, the present representative of the former firm, took it into his head to repudiate liability on the flimsiest possible grounds, taking dishonest advantage of the omission of his ancestor's name from the deed. The said defendant has also tried to make capital out of the omission of his firm's name from the proceedings of the Council of State, published in the Government Jarida dated 1st Khurdad 1296 Fasli, pages 2 to 76. Government made an amicable settlement with Sultan Nawaz Jung for the debts of certain Sowcars guaranteed by it, and the proceedings above referred to contain the debate that took place on that settlement in the Council of State. In these proceedings, the name of Kishen Ram Mohan Lal alone occurs in connection with one of the guaranteed debts, and the defendant urges that the said settlement having received the sanction of His Highness cannot be altered or modified by the addition of the name of his firm which was not a party thereto. The defendant however forgets that the settlement then effected was between the Government and Sultan Nawaz Jung and had nothing whatever to do with the principal debtor or debtors, whoever he or they might be. In fact, not even Kishen Ram Mohan Lal, who, according to him, is solely responsible for this debt, was made a party to that amicable settlement. The object of that settlement was not to fix the liability of the principal debtor or debtors. It was an arrangement between the creditor and the surety to discharge the debt on the best possible terms for both, and the name of one of the principal debtors occurred, not because the other principal debtor was not liable, but because the deed of suretyship contained the name of one debtor only. In fixing upon the 2nd defendant as one of the co-debtors, therefore, the Commission does neither alter nor modify the orders of His Highness, but simply apportions the liability of the original debtors who were no parties to the settlement effected with Sultan Nawaz Jung. For the reasons given above, we hold both defendants Nos. 1 and 2 jointly responsible for the debt of Barak Jung guaranteed by Government.

18. Having dealt with the four issues framed regarding the liability of defendant No. 2 for the loans advanced by the Government, we may summarise the result of our findings as below :—

a. That defendants Nos. 1 and 2 are both jointly and severally responsible for the sum of Chalni Rs. 12,90,845-1-8 secured by the bond dated 25th Rabi-ul-avval 1289 Hijri (exhibit 1).

b. That of the three sums amounting to Chalni Rs. 2,79,062-8-0 advanced to them subsequently to the execution of exhibit No 1, they are jointly and severally responsible for a sum of Chalni Rs. 1,47,000 only.

As a portion of the first item amounting to Chalni Rupees 33,000 and the third item aggregating Chalni Rupees 99,062-8-0 are secured by the bills of exchange drawn on certain jagirdars, these defendants can no longer be looked upon in the light of debtors as regards these amounts, and the matter now lies between the Government and the jagirlars.

c. That both the said defendants are also jointly and severally responsible for the debt of Sultan Nawaz Jung, amounting to Rs. 5,00,000 guaranteed by Government.

The defendants would therefore apparently be considered to be responsible to Government for the total principal sum of Chalni Rs. 19,37,845-1-8. The Government however claim Chalni Rupees 23,34,753-2-2 as principal (*vide* para 2), and after deducting the sum of Rupees 1,32,062-8-0 on account of the *chitthies* on jagirdars disallowed by us, there still remains the sum of Rs. 22,02,690-10-2 which exceeds the above amount by Rs. 2,64,845-8-6. Comparing the figures of paragraph 2 with the details given in sub paras (a), (b) and (c) above, it will be observed that this discrepancy arises in the amount of guaranteed debt only. In discussing the liability of defendant No. 2 for this debt, we have all along quoted the figure at which it originally stood, *viz.*, Rs. 5,00,000, and this is the figure that occurs in sub para (d) also. The Government however claims Rupees 7,64,845-8-6 inclusive of the sums that it has already paid to Sultan Nawaz Jung and is likely to pay to him in future on account of principal alone. It will be remembered that when, on the 10th Moharram 1302 Hijri, the Arab retainers of Sultan Nawaz Jung caused a disturbance in the City of Hyderabad, that Arab chief was put on his trial, and, on being convicted of complicity in that disturbance, was expelled from His Highness' dominions. Sultan Nawaz Jung subsequently laid a claim for Rs. 1,02,00,222-15-9 against the Government. In this claim were included Rs. 58,14,666-3-0 for the debts due by the firms of Mahanand Ram Puran Mal and Kishen Ram Mohan Lal guaranteed by Government as per details below :—

		Rs.	a.	p.
Mahanand Ram Puran Mal	...	47,77,970	2	3
Kishen Ram Mohan Lal	...	10,36,696	0	9

Subsequently an amicable settlement was effected by which Sultan Nawaz Jung waived all his claims with the exception of those against these two Sowcars, and Government undertook to pay off these debts by instalments. According to this settlement, the amount of Sultan Nawaz Jung's claim was reduced by about 47 per cent to Rs. 31,31,598 which was to be paid off by Government by annual instalments of Rs. 2,00,000. It was further agreed that no interest was to run on the amount for 5

years, after which simple interest at the rate of eight annas per cent per mensem would be allowed on the balance then due. The amount at which the settlement was effected was apportioned between the two firms as below :—

		Rs.	a.	p.
Mahanand Ram Puran Mal	...	27,24,252	7	6
Kishen Ram Mohan Lal	...	4,07,345	8	6

Previous to the settlement above referred to, Government had paid Sultan Nawaz Jung Halli Sicca Rs. 3,25,000 equivalent to Chalni Rs. 3,57,500 on account of the guaranteed debt of Kishen Ram Mohan Lal, and in calculating the claim against the defendants on this account, the Government representative has added both these amounts, making it Rs. 7,64,845-8-6. This figure would be correct if the above amount were actually paid to Sultan Nawaz Jung from the Treasury and Government were absolved from all further liability to that gentleman for interest. On referring to the accounts, however, we find that so far as the debt against these two defendants is concerned, Government have actually paid to Sultan Nawaz Jung Halli Sicca Rs. 3,24,764-1-0 equivalent to Chalni Rs. 3,57,240-7-6 only, and that Chalni Rs. 50,105-1-0 on account of principal have yet to be paid. In addition to this, proportionate interest after the lapse of the first five years will have to be paid. It will thus be seen that it is impossible just now to arrive at any correct figure as to the actual amount which Government will have to pay to Sultan Nawaz Jung on account of the guaranteed debt of the first two defendants. The safest course therefore for the present is to include only that portion of this debt as part of Government claim for principal which has actually been paid to Sultan Nawaz Jung and which since the settlement amounts to Chalni Rs. 3,57,240-7-6, and previous to that event to Chalni Rs. 3,57,500, giving a total sum of Chalni Rs. 7,14,740-7-6.

The total amount of Government claim for the present allowed by us for principal alone thus aggregates Chalni Rs. 21,52,585-9-2 as per following details :—

		Rs.	a.	p.
1. On account of exhibit I	...	12,90,845	1	8
2. Sums subsequently advanced	...	1,47,000	0	0
3. On account of the guaranteed debt of Sultan Nawaz Jung	...	7,14,740	7	6
Total	...	21,52,585	9	2

For the reasons already given, we have disallowed the following two items amounting to Rs. 1,82,167-9-0 from the Government claim, and if this amount be added to the sum allowed by us, it aggregates Rs. 23,34,753-2-2, representing the total Government claim given in paragraph 2 :—

		Rs.	a.	p.
a	Due by Jagirdars ...	1,32,062	8	0
b.	To be adjusted hereafter on final settlement with Sul- tan Nawaz Jung .	50,105	1	0
	Total ...	1,82,167	9	0

19. Item (a) has practically been disposed of so far as these two defendants are concerned, but item (b) will have to be debited to them when actual payment to Sultan Nawaz Jung has been made. In addition to that sum, Government will have to pay whatever interest may have accrued and the payments on this account also will have to be debited to the defendants. It will thus be seen that it is not practicable to finally adjust Government claims against the defendants till after the final settlement with Sultan Nawaz Jung, but we have not thought it necessary to allow the present claims to be pending until the achievement of that result. We are now disposing of the Government claims so far as they are due up to date, and the balance can be adjusted subsequently when it becomes actually due. As will be seen further on, we have found the defendants owing a large sum of money to Government after setting off all the receipts realized from their assets and all the sums due by Government to them. There are practically no further assets which would suffice to satisfy this large balance with the exception of certain claims for old debts preferred by the first defendant against the Government. The amount of principal alone claimed by the defendant, aggregates Halli Sicca Rs. 8,91,000, on which he has charged Halli Sicca Rs. 1,09,02,000 as interest. These claims have yet to be inquired into, and whatever balance with corresponding interest is found due to him could be set off against the debts that the defendants owe to the Government. These old claims are likely to be disposed of shortly, and we would urge on the Government the desirability of coming to an early and final settlement with Sultan Nawaz Jung, so as to enable the Commission to finally dispose of the first defendant's claims against Government as expeditiously as possible.

20. In determining the liability of the defendants on account of the debt due to Sultan Nawaz Jung, we have assumed that the settlement effected by Government with him was one to which exception could not be taken by the principal debtors. The fact, however, is that one of the two principal debtors has taken exception to the reasonableness and fairness of the compromise. In a long argumentative petition, the defendant objects to the compromise on the grounds : (1) that he was not a party to the compromise, (2) that exorbitant interest was allowed to the creditor beyond all reasonable proportions and in contravention of the terms of the agreement with him, and (3) that according to the accounts there was little or nothing due to Sultan Nawaz Jung at the time that the compromise was effected. That Kishen Ram Mohan Lal was not a party to the compromise is admitted by Government, but the Government representative submits that the settlement

arrived at was reasonable and advantageous to the principal debtors. As has been previously stated, Sultan Nawaz Jung originally claimed Chalni Rupees 10,36,696, and the sum at which the compromise was effected was Chalni Rupees 4,07,345. There was thus a reduction of Rupees 6,29,351 or 60 per cent. over the total claim, and this would, *prima facie*, seem to be a reasonable and fair compromise. Looking at the accounts in detail, we find that the compromise arrived at was based on the following figures:—

	PRINCIPAL. Rs.	INTEREST. Rs.	TOTAL. Rs.
Total amount due ...	5,00,000	4,21,021	9,21,021
Deduct payments ...	5,10,430	3,246	5,13,676
Balance ...			4,07,345

Although the defendant in his petition strongly animadverts on the conduct of Government in failing to consult him as regards the compromise, he carefully confines himself to generalizations and does not attempt to show by figures that he has been a sufferer by the arrangement. It would, however, seem from the line of defence adopted by the defendant that he considers himself liable to only half the debts due by the two defendants; and, arguing on this basis, he urges that so far as he is personally concerned, he owed little or nothing to Sultan Nawaz Jung at the time of the amicable settlement with him. Government, however, hold both the defendants jointly and severally responsible for their joint debt. The question, whether any apportionment of the debt of the two defendants in equal shares was agreed to by the Government, will be discussed hereafter.

It may however be mentioned here that, so far as the guaranteed debt of Sultan Nawaz Jung is concerned, this apportionment of the debt in equal shares was alleged by the defendant even in the lifetime of His Excellency the first Salar Jung. The defendant presented a petition to His Excellency praying for the settlement of Sultan Nawaz Jung's debt, on the 24th Zihijja 1299 Hijri, to which was attached a statement of account to the end of 1298 Hijri, showing that the defendant considered himself indebted to Sultan Nawaz Jung for the half share of his debt to the extent of Rupees 2,43,745-5-6 (see file of Accountant-General's Office No. 449, refunds and drawbacks Branch, Part I Nos. 40, 41 and 42). The details of this statement are as below:—

	PRINCIPAL.			INTEREST			TOTAL.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
Total half guaranteed debt with interest	2,50,000	0	0	1,49,682	9	6	3,99,682	9	6
Deduct payment ...	1,52,930	10	3	3,006	9	9	1,55,937	4	0
Balance ...							2,43,745	5	6

The defendant here admits his liability to Sultan Nawaz Jung for half the share of his guaranteed debt to the extent of Rupees 2,43,000 to the end of 1298 Hijri. In Rajab 1302 Hijri, Government effected an amicable settlement with Sultan Nawaz Jung as regards the total debt of Rupees 5,00,000 for a

sum of Rupees 4,07,000 which is Rupees 1,64,000 in excess of what the defendant admitted to be due by him for his half share four years before ; and considering that this compromise includes the other half of the principal and interest for the following four years, it cannot be looked upon as unreasonable or unfair. The defendant therefore has no right to say now that the compromise arrived at by Government with his creditor was injurious to his interests

21. In paragraph 18 of this report we have held the first two defendants liable to Government for a total principal of Rupees 21,52,585-9-2.

This consists of Rupees 14,37,845-1-8 advanced to them direct from the Treasury and Rupees 7,14,740 7-6 paid to their creditor Sultan Nawaz Jung. We have now to set off against this amount the various sums either realized from their estates or due to them by the Government on account of transactions in cash and kind and then strike a balance. But previous to entering into these details, we find it necessary to dispose of one more contention of defendant No. 1. His allegation is that Government subsequently agreed to apportion the joint debts due by him and his co-debtor between them in equal shares, to be recovered from each separately. By this contention the defendant attempts to limit his liability to that portion of the debt which, according to him, the Government agreed to realize from his estate, thus absolving himself of liability for the other half. In dealing with the documents on which the defendant relies, we shall show presently that his contention is entirely groundless and there is nothing to prove that Government ever contemplated the apportionment of the debt between the co-debtors as regards its claims against them jointly and severally. Considering the credit that defendant No. 2 commanded in those days, it is not likely that Government would have originally trusted him single-handed for any thing like half the amount of the total debts due by them both, and it is still less likely that it would subsequently agree to the apportionment of those debts in equal shares, absolving the one from the liability of the other's half share. As will be shown hereafter, the sums actually realized from and hereafter to be adjusted on account of the estate of Nathmal Gobardhan Das are far short of those that have been recovered from, and have to be adjusted on account of Kishen Ram Mohan Lal. Hence the balance against Nathmal Gobardhan Das for his half share of the debts would be much larger than that against Kishen Ram Mohan Lal. There is practically little or no property of Nathmal Gobardhan Das to meet this large balance, whereas Kishen Ram Mohan Lal has a suit against Government for old debts in which he claims nearly 9 lacs of Halli Sicca Rupees for principal with the addition of Rupees one crore and nine lacs for interest. Should we hold that the two defendants are jointly and severally liable for all the debts, Government would be entitled to set off whatever balance is found due by both the defendants against Kishen Ram Mohan Lal's claim for old debts. On the other hand, if, in our opinion, Government has agreed to the apportionment of the debts in equal shares between the two debtors, Government could set off against Kishen Ram Mohan Lal's claim only that portion of his half share of the debts which on adjustment is proved to be due by him. This balance is likely to be very small and the result would be that Kishen Ram Mohan Lal would profit considerably by it. Mohan Lal, like a shrewd man of business, sees this, and hence his anxiety to prove that by a subsequent arrangement, Government agreed

to apportion the debts in equal shares between the debtors, and to realize from the estate of each his share of the debts.

22. We now proceed to examine the documents on which the defendant relies. There are two series of documents in support of the defendant's contention, viz., one regarding the loans from the Treasury, and the other regarding the guaranteed loan of Rupees 5,00,000. We shall first deal with the former. There are four documents on which the defendant relies in this connection. The first is a petition without date from the defendant, Mohan Lal, to His Excellency Sir Salar Jung Senior (exhibit 24). In this petition the defendant states that at the time that the petitioner was allowed an interview he prayed that the interest on Government and other loans be relinquished, and His Excellency was pleased to give him a reassuring reply. The petitioner therefore submitted this petition in the hope that a (written) order be endorsed thereon. The defendant has, in this petition, repeated the verbal representation that he alleges to have made to the Minister, in which he seems to have incidentally mentioned that, of the Rupees 15,69,000 borrowed from the Treasury, half was against the firm of Nathmal Gobardhan Das. Assuming the correctness of the statement contained in this petition, we fail to see how this representation of the defendant to His Excellency could be construed in the Government having agreed to hold each of the two creditors responsible only for a moiety of their joint debts. Stretching the law of Estoppel to its widest extent, we cannot arrive at the conclusion that this representation of the defendant to the head of the administration and his general reassuring answer could possibly be construed into an agreement on his behalf to hold the two debtors individually responsible for only half the share of their joint debt. This petition is certainly found in one of the Central Treasury files, but there is nothing to indicate that it was ever brought to the notice of His Excellency. Had it been so, it would have borne some order or endorsement of His Excellency in accordance with his general practice. This being so, the defendant cannot derive any benefit from the existence of this paper on the Government records.

The second is a statement (exhibit 25) signed by Ram Pratap, the chief Gumashta of Nathmal Gobardhan Das, dated 2nd Moharram 1293 Hijri. The heading of the statement indicates that it was prepared at the instance of Shanker Rao, who worked directly under Sir Salar Jung Senior, but it is neither in his handwriting nor is it signed by him. The statement purports to be a division of the Government loans into two equal shares between the two debtors, and is to the following effect:—

				Rs.	a	p.
Total debt	...	...	...	15,69,907	9	8
Deduct (share of) Seodat Ram Jaisi Ram (Kishen Ram Mohan Lal)	...	...	...	7,84,907	9	8
Balance (against Nathmal Gobardhan Das)	...	...	...	7,85,000	0	0

Details of the assets from which this amount is to be recovered are then given followed by the signature of Ram Pratap.

The third is a similar statement signed by Kishen Ram Mohan Lal of the firm of Seodat Ram Jaisi Ram (exhibit 26) purporting to have been prepared under the auspices of the same person, but it is not in his hand-writing, nor does it bear his signature. It runs thus:—

			Rs.	a	p.
Total debt	...	...	15,69,907	9	8
Deduct due by Nathma! Gobardhan Das	...	...	7,85,000	0	0
Balance (against Seodat Ram Jaisi Ram or Kishen Ram Mohan Lal)			7,84,907	9	8

Details are then given of the assets from which this amount is to be realized, followed by the signature of Kishen Ram Mohan Lal. On the back of each of the above two documents (exhibits 25 and 26), are separate endorsements in an unknown hand to the following effect:—

“ On this paper being brought to the notice of His Excellency on the 4th Moharram 1293 Hijri, he ordered the statement of the assets of both the Sowcars together with this statement to be forwarded to the Treasury office for (the purpose of) getting the money remitted (into the Treasury)”.

These documents, when found, were not borne on the regular file of any office. The circumstances under which they were brought to light are peculiar. It will be remembered that they are dated 1293 Hijri. Shanker Rao, under whose auspices they purport to have been prepared, died in the same year and was succeeded by Ramchander Rao. The latter too died a couple of years afterwards, and on his death that office was abolished. The records were locked up in cupboards until it was found necessary to have recourse to them in order to answer correspondence to which they related. Rajah Srinivasa Rao was then deputed to compile and arrange the records and to transfer them to the several offices to which they referred, and this was accordingly done. Subsequently the Accountant-General wrote to him asking for some more files connected with the loans advanced to Kishen Ram Mohan Lal. The Rajah replied to the effect that no other files were to be found in the cupboards. Some miscellaneous papers however were discovered, which he appended with his reply (exhibit 4 Toi). It was under these peculiar and, on the face of them, suspicious circumstances that these two documents came to light seven years after their alleged preparation and five years after the abolition of the Peshi office. This circumstance, coupled with the fact that they are neither in the handwriting of Shanker Rao nor signed by him, casts a grave doubt on their genuineness. Taking the documents as they are, they prove nothing beyond a proposed arrangement by the debtors, for the repayment of their debts in equal shares from certain of their assets, and an order by the Minister to realize the amount from the estates pointed out by the debtors. This is entirely different from an agreement on behalf of the Government to realize only half the debts from each debtor and waiving the Government claim against one of them for the share of the other. Nothing short of a distinct and unequivocal statement by the Head of the administration would satisfy us that the arrangement had the sanction

of the Government, but evidently there is no such document and the defendant seeks to bind the Government to proposals which were never accepted by it. Reading these two documents together with exhibit 24, it would seem that the debtors expressed in figures in exhibits 25 and 26 the arrangement hinted at by defendant No. 1 in exhibit 24, but the former bear as little significance on the question of the acceptance by Government of a division of responsibility by the joint debtors as the latter.

The fourth document relied on by the defendant (exhibit A), is a letter addressed by Maulavi Ahmad Hussain to the Accountant-General, giving the purport of an order by the Minister in another case. This summary of His Excellency's order simply goes to prove that his knowledge regarding the loans advanced by Government to the defendant was very imperfect, and he therefore ordered the Judicial Secretary to place the record before him for orders. The letter in question simply gives a summary of the Minister's order and does not pretend to quote the words of that order, but even this does not help the defendant's contention. As it is, even this document does not bear out the case of the defendant and we hold that so far as the apportionment of the Treasury debts due by the two defendants is concerned, defendant No. 1 has failed to substantiate his contention.

There is one more circumstance which may be taken to support the defendant's contention. On the receipt of exhibits 25 and 26 from Rajah Srinivas Rao, the Accountant-General passed them on to the Treasury Officer at Hyderabad without any comment or order, and that officer caused entries to be made in the Government accounts in accordance therewith without any scrutiny or audit and without any order to that effect. The Treasury Officer was not authorised to make any such alterations in the accounts except under the orders of Government, conveyed to him through the proper channel. His action was therefore irregular and *ultra vires*, and any such act of a Subordinate Officer is not binding on the Government.

23. Defendant bases his case as regards the division of the guaranteed debt on exhibits 79 to 86 both inclusive. Exhibit 79 is a copy of the account of defendant No. 1, filed by Sultan Nawaz Jung in the High Court, in support of his claim to a balance of Rs. 15,17,857-1-5 alleged to be due by the former to the latter. In this account Sultan Nawaz Jung has allowed a credit of Rs. 2,50,000 to Mohan Lal out of the total guaranteed debt of Rs. 5,00,000. Exhibits 80 and 82 are two Rubkars addressed by the late Rajah Girdhari Prasad to the Accountant-General, describing how Sir Salar Jung interceded with Barak Jung on behalf of Kishen Ram Mohan Lal and induced him through the Rajah to relinquish a portion of his claim for interest. Exhibit 81 is a statement of account accompanying exhibit 80. These two documents when read together indicate that Barak Jung had agreed to limit his claim against Kishen Ram Mohan Lal to Rs. 4,82,462-4-6 for all his debts exclusive of the guaranteed joint debt of Rs. 5,00,000 for which

he held Government responsible. In exhibit 81, Kishen Ram Mohan Lal was allowed a credit of Rs. 2,50,000 on account of half the joint debt guaranteed by Government.

Exhibit 83 is a Rubkar from the Accountant-General to the Judicial Secretary communicating the appointment of a Commission by order of the Prime Minister to inquire into the claims of Sultan Nawaz Jung against the Government for the guaranteed debts and to realize the assets of the principal debtors for the liquidation of those debts.

Exhibit 84 is another Rubkar from the Accountant-General to the Judicial Secretary stating that the debt guaranteed by Government was due by both Kishen Ram Mohan Lal and Nathmal Gobardhan Das and that the amicable settlement arrived at with Sultan Nawaz Jung for Rs. 4,07,645-0-0 affected both those Sowcars. Exhibit 85 is a statement dated 12th Ramzan 1290 Hijri. In this statement the amount of the guaranteed debt with the addition of interest up to that date is put down at Rs. 5,31,449-0-0, and for the liquidation of this debt the assets of the two debtors are given in detail, those of Kishen Ram Mohan Lal amounting to Rs. 2,90,349-0-0 and those of Nathmal Gobardhan Das aggregating Rs. 2,41,100-0-0.

Exhibit 86 is a Rubkar dated 26th Zihijja 1295 Hijri addressed in duplicates to Kishen Ram Mohan Lal and Nathmal Gobardhan Das, by order of the Government under the signature of Ramchandra Rao, calling upon both the Sowcars either to pay the guaranteed debt of Barak Jung within three days or to induce the latter to restore the deed of suretyship executed in his favour by Government, in default of which, Government would adopt such measures for the recovery of the debt as might seem desirable.

It may be stated at the outset that exhibits 83, 84 and 86 have no direct bearing on the contention of the defendant that Government agreed to apportion the guaranteed debt in equal shares between the debtors. Exhibit 83 is confined to the communication of the orders of the Government appointing a Commission and casually mentions Kishen Ram Mohan Lal and Nathmal Gobardhan Das as principal debtors. Exhibit 84 likewise mentions them both as joint principal debtors, while exhibit 86 calls on them both to discharge their debt within a fixed period. These documents are silent as to the apportionment of the debt. If anything, they simply go to show that Government looked upon them both as co-debtors and the fact that so long ago as 1295 Hijri, they were both called upon to discharge the debt, clearly establishes the contention of the Government that it has all along looked upon both these Sowcars as the joint principal debtors. We should therefore leave these papers alone and discuss the remaining five documents relied on by the defendant.

Exhibits 80, 81 and 82 simply show what concessions Barak Jung was induced to allow the defendant at the instance of the Government. Beyond this, it establishes nothing. The circumstance that Barak Jung credited half the guaranteed debt to Mohan Lal does not tend to establish the contention that Government had agreed to limit the responsibility of Kishen Ram Mohan Lal as against itself to half the total debt for which it stood security. Barak Jung and, subsequently his heir, Sultan Nawaz Jung, have all along held Government liable for the total guaranteed debt, and Government in its turn holds the principal debtors responsible. Government has not derived any benefit from this transaction and there is no reason why it should not recover what it has actually paid, from whichever of the debtors is found possessed of assets. As has been already stated, both Kishen Ram Mohan Lal and Nathmal Gobardhan Das had separate dealings with Barak Jung, and when Government stood surety for them conjointly to the extent of Rs. 5 lacs, it naturally follows that, in the absence of a joint account with them Barak Jung, would allow each of them credit for half the amount of the debt so guaranteed by the Government. The fact that, under the circumstances, the creditor allowed a credit of half the amount of the guaranteed debt to each debtor, does not indicate a division of responsibility of these debtors as against Government. Government did certainly help one of these debtors with his creditor in getting him to reduce the amount of his claim, but there is nothing to show that it ever agreed to a division of their responsibility.

As for exhibit 85, it negatives rather than supports the contention of the defendant. Had Government agreed to a division of responsibility of the debtors as urged by defendant No. 1, the assets of each debtor towards liquidating the debt would also have been apportioned in equal shares. We find, however, that while Mohan Lal's assets given in this document amount to Rs. 2,90,349-0-0, those of Nathmal Gobardhan Das do not exceed the sum of Rs. 2,41,100-0-0. Exhibit 79 is a document with which Government has nothing to do and does not require any comment from us. We therefore reject the contention of defendant No. 1 and hold that both the defendants are liable to Government jointly and severally for the guaranteed debt, as they are for the moneys advanced to them from the Treasury. The result is that we hold the two defendants responsible for the total debt of Rs. 21,52,585-9-2 and we also hold them both responsible for whatever sums may have to be disbursed to Sultan Nawaz Jung hereafter in pursuance of the terms of the amicable settlement arrived at with him. When the transactions originally took place between the Government and the defendants, all Government accounts were kept in Chalni Rupees. We have therefore up to now dealt with them in that currency. The fact is however that actual payments were made in the Halli Sicca, and the sums entered in the accounts in the Chalni Sicca were simply arrived at by adding exchange at 10 per cent. Subsequently when the Government accounts began to be kept in the Halli Sicca, all amounts which had been previously entered in Chalni Rupees were converted into that coin. Such was the case with the defendants' accounts also. We therefore consider it desirable, at this stage, to convert

the Government demand also into Halli Rs. The sum of Chalni Rs. 21,52,585-9-2. when thus converted, amounts to Halli Sicca Rs. 19,56,896.

24. We have now to set off against this amount;—

- (a)—Sums realized by the Government from the estates of the defendants and credited to their account.
- (b) —Sums so realized but not yet credited to them.
- (c) Value of the jewels hypothecated by them.
- (d) —Prices of the commodities supplied by them.
- (e) —Sums due by persons whose properties were handed over to Government by the defendants.
- (f) —Debts due by the Government to the defendants.

25. The items coming under the head (a) amount to Halli Sicca Rs. 5,14,387-7-10, of which Rs. 4,36,901-10-0 have been realized from the estate of Kishen Ram Mahan Lal and Rs. 77,485-13-10 from that of Nathmal Gobardhan Das. The details of these items will be found in appendix No. 1.

The items for which we have allowed each defendant credit, require certain explanations, and we consider it desirable to give them here.

In para 12 of the Government plaint, which was based on the Treasury accounts to the end of 1301 Fasli, the amount of the sums realized from the estate of Kishen Ram Mohan Lal is put down at Halli Sicca Rs. 5,08,052-6-5. This sum includes Rs. 1,00,730-15-0 collected from Jaghirdars who accepted liability to the extent of Halli Sicca Rs. 1,20,000 out of the debts incurred by the defendants. As these defendants have already been absolved from liability for the debts transferred to the Jaghirdars, the sums realized from the latter should also be deducted from the receipts which have to be set off against the Government debt due by these defendants. Making this deduction, there remains a sum of Rs. 4,07,321-7-5 realized from the estate of Kishen Ram Mohan Lal to the end of 1301 Fasli. From the beginning of 1302 Fasli to the end of 1308 Fasli, further sums have been realized from the estate of this defendant and credited in the joint account. These sums amount to Rs. 1,01,218-9-5. Against this amount the following three sums aggregating Rs. 71,638-6-10 have to be set off, leaving a balance of Rs. 29,580-2-7:—

	Rs.	a.	p.
(1)—Received from Jaghirdars ...	3,763	10	0
(2)—Interest on account of the Sir Salar Jung debts ...	66,209	12	10
(3)—Pleader's emoluments in certain cases ...	1,665	0	0
Total ..	71,638	6	10

Item No. 1 requires no explanation after what has already been stated.

Item No. 2 is credited in the Government accounts to defendant No. 1. There was no cash payment into the Treasury on this account. The defendant holds a Government bond on account of the Salar Jung debts amounting to Rs. 2,15,711-5-0. In 1306 Fasli he applied to the Financial Secretary for the interest on this bond to be debited to him in that account and to be credited in the account of the debts due by him. The Government having accorded its sanction to the proposal, cross entries were made in the accounts accordingly. We have now decided to strike off this amount from his credits and our reasons for doing so are these. As we have stated previously, the debts due to Government by the defendants amounting to Halli Sicca Rs. 19,56,896 do not include any interest, and are for principal alone. As we are not, at this stage, allowing the Government any interest, it is not fair that the defendants' interest should be set off against the Government principal. We shall further on deal with the question of interest and then discuss this item.

Item No. 3 is for fees paid to pleaders in defending claims of his creditors against defendant No. 1, relating to properties hypothecated by him in satisfaction of the Government debts. This amount has actually been paid from the Treasury and is a fair charge against him. Defendant No. 1 is thus entitled to a set off of Rs. 4,36,901-10-0 against the Government debt for sums realized from his estate, *viz.*, Rs. 4,07,321-7-5 collected up to 1301 Fasli and Rs. 29,580-2-7 for moneys received after that year. As regards defendant No. 2, the moneys recovered from his estate up to 1301 Fasli amounted to Rs. 66,402-2-0 and those realized subsequently aggregated the sum of Rs. 11,083-11-10, thus making a total of Rs. 77,485-13-10. As has been explained by the Government representative in paragraph 12 of his report, the actual sums realized to the end of 1301 Fasli amounted to Rs. 75,558-9-3, but of this amount Rs. 9,156-7-3 were on account of certain other liabilities against defendant No. 2. These sums which referred to a separate personal account of the defendant, should not have been entered in the joint account of the two defendants; but owing to some mistake, they were so entered on both the credit and debit sides. The Government representative in compiling his report struck them off on both sides, and we think he was right in so doing. We therefore hold that the defendants are entitled to a set off of Rs. 77,485-13-10 on account of sums realized from the estate of defendant No. 2.

The total sum of money realized from the estates of the two defendants to be set off against the Government claim, thus amounts to Rs. 5,14,387-7-10.

26. There are three items which fall under the head (b) as follows :—

1st. A sum of Rs. (40,000) forty thousand, which was due to Nathmal Gobardhan Das from Rajah Mansingh Rao Jado of the Aurangabad District, was transferred by the former to

the Government. The Rajah's estate was for sometime under attachment, pending Inam inquiry and has since been restored to him. A sum of Rs. 1,66,499-12-2 was collected while the Inam inquiry was being conducted, and deposited in the Government Treasury. This sum has not yet been refunded to the Zemindar owing to several Government claims against him. This sum of Rs. 40,000 can therefore be debited to the Rajah and credited to the defendants on the date on which the second defendant transferred this loan to the Government, *viz.*, on the 29th Zihijja 1292 Hijri (*vide* Government representative's report, para 21).

2nd. Vinkobai, Deshpandia of Paragana Utlur, Taluka Tekmal, District Medak, is a debtor of the defendant Kishen Ram Mohan Lal, and the defendant has transferred this loan to the Government. A sum of Rs. 1,159-12-3 has already been credited to the defendant on this account. It appears from para 22 of the report of the Government representative, that a further sum of Rs 3,799-7-5 had accumulated in the District Treasury to the end of 1302 Fasli. This sum should be debited to Vinkobai and credited to the defendants.

3rd. Certain sums were realized from a number of debtors of the 1st defendant Kishen Ram Mohan Lal in the Naldrug and Bidar Districts. It appears from para 24 of the report of the Government representative that a total sum of Rs. 35,311-13-7 was recovered in those Districts as follows :—

			Rs.	a.	p.
Naldrug	...	...	19,147	8	7
Bidar	...	...	16,164	5	0

Out of this, Rs. 20,691-11-1 were credited to the defendants as below :—

			Rs.	a.	p.
Naldrug	...	...	9,594	7	4
Bidar	...	...	11,097	3	9

A balance of Rs. 14,620-2-6 still remained at the time of the compilation of the report which should have been credited to them. Since then a further sum of Rs. 2,500-5-0 has been received from the Naldrug District and credited to the defendants in 1305 Fasli. There thus remains a sum of Rs. 12,119-13-6 for which the defendants ought to get credit. The details of this amount for each District are given below :—

			Rs.	a.	p.
Naldrug	...	...	7,052	12	3
Bidar	...	...	5,067	1	3

The items to which the defendants are entitled to credit under the head (b), may be summarised as below:—

1. On account of Rajah Mansingh	Rs.		p
Rao Jado ...	40,000	0	0
2. On account of Vinkobai	3,799	7	5
3. On account of debtors of the Nal- drug and Bidar Districts ...	12,119	13	6
Total ...	55,919	4	11

We recommend that the defendants be given credit for this sum of Rs. 55,919-4-11, of which Rs. 40,000 have been recovered from the estate of the second defendant, and the balance Rs. 15,919-4-11 from that of the 1st defendant. It may be that some further sums have subsequently been realized in those Districts, though it is not likely that these would amount to any considerable figure. It will be for the Accountant-General to satisfy himself on the point, and order cross entries to be made in respect of sums so realized.

27. We have now to deal with head (c). The defendants hypothecated with the Government certain jewels along with other properties for the satisfaction of the debts incurred by them. The subsequent proceedings in connection with these jewels became so complicated that it was with the greatest difficulty the Commission succeeded in tracing them to the parties to whom they were given by the orders of the Government. At one time it was suspected that a large portion of these jewels had been made away with while in the custody of the Government. From the records then available the Government representative came to the conclusion that, of the jewels hypothecated by the defendants, jewels worth Rs. 2,82,700 were handed over to three persons with the object of effecting sales, and the balance worth Rs. 1,82,400 were missing. As regards the latter, inquiries had to be made of Siddi Ambar Ali, Khansaman of the late Sir Salar Jung Senior, who had charge of them during the latter's administration (*vide* report of the Government representative, para 8). Siddi Ambar Ali was therefore examined by the Commission but he was unable to throw any light on the point. Subsequently when the Commission was inquiring into the liability of Hargopal Das, one of the three persons alluded to above, as regards the jewels handed over to him, it was ascertained that, in addition to the records already available, it was likely that there were some others referring to these transactions, and that they were probably locked up in a cupboard in the Accountant-General's office. On a search being made, a number of records, prepared in the Peshi Office of His Excellency Sir Salar Jung Senior, were found, through which all the missing jewels were traced to one of the three persons alluded to above, namely, Kishen Das, Jeweller. Although in some cases the descriptions of the jewels as originally given and in others the values originally recorded differ from those

that appear in the records latterly discovered, it is practically certain that the jewels that were given to Kishen Das are identical with those that were at one time supposed to be missing. Considering the lapse of time since these transactions took place, and the change in the description and value of the various articles, it was exceedingly difficult to identify them. The only person who could be expected to render assistance was Mohan Lal, the first defendant, but even he failed to do so. It was therefore left to the Government representative to perform this task with the assistance of the complicated records in the possession of the Commission. That officer has succeeded as well as could be expected, and the result of his efforts will be gathered from Appendix 2 attached to this report. After these prefatory remarks, we proceed to discuss the point at issue.

28. The value of the articles of jewellery hypothecated by the defendants was estimated, at the time, at Chalni Rs. 4,72,100, of which those belonging to Kishen Ram Mohan Lal amounted in value to Rs. 3,97,200 (exhibit 15), and the remainder valued at Rs. 74,900 were the property of Nathmal Gobardhan Das (exhibit 16). The appraisers were two jewellers named Kishen Das and Bansidhar. Evidently the valuation made by them did not err on the side of depreciation, for, were it so, it was not likely that the debtors, Mohan Lal and Kishen Lal, would have allowed it to go unchallenged. On the contrary, it appears from exhibit 24 that the defendant Mohan Lal was anxious to have the value of these jewels, as appraised by the jewellers, credited in the Government account. Rajah Gyangir, with whom a portion of Mohan Lal's jewellery was mortgaged by Hargopal Das, has stated that the articles mortgaged with him could not be disposed of even at such an important gathering as the Delhi assemblage, because the prices put upon them were in excess of their appraised value, and higher than the articles were really worth. Of the articles mortgaged with Gyangir by Hargopal Das, there were five pieces of jewellery which belonged to the two defendants. Four of these whose appraised value was Rupees 88,000 were the property of Mohan Lal, and one worth Rupees 7,000 that of Nathmal Gobardhan Das. The value declared by Hargopal Das, however, to the mortgagee exceeded the appraised value by Rupees 10,000, owing to an error in recording the price of a necklace (see exhibit 53). Subsequently in 1295, or 7 years after the hypothecation, it was decided to sell these five articles for Halli Sicca Rupees 62,000 (equivalent to Chalni Rupees 68,200), or Rupees 26,800 less than their appraised value (exhibits 58 and 59). Gyangir states in his deposition that Mohan Lal was one of the three persons who were trying to induce him to purchase these five jewels at the above price, and the negotiations simply failed because he insisted that the balance of his mortgage money with interest should be paid to him in cash.

On the 4th Ramzan 1289 Hijri, or eight months after the hypothecation of the jewels to Government, the debtors presented a petition in which they expressed their inability to dispose of them for the sum at which they were valued, stating the slackness of the market as the cause of their inability to sell them (see serial No. 37 in Treasury file No. 290).

The facts referred to above indicate that the valuation of the articles of jewellery hypothecated by the defendants was certainly not below, even if not

above, their actual market value. We have thought it necessary to dwell on this point in such detail, because defendant No. 1 has recently asked in his written statement to have the value of the defendant's jewellery entered in the Government account at eight lacs of Rupees. It is true that the market value of some precious stones, &c., notably emerald and pearls, has gone up now as compared with that period, but, at the same time, the price of diamonds has decreased considerably. Could the defendants' jewels be now traced, we would be in a position to judge what they were likely to fetch, but, with the exception of the five articles in the possession of Rajah Gyangir, no trace of the others can be found. The defendant being aware of this circumstance, demands a much higher price than that at which they were originally valued. It must, however, be remembered that the Government from the outset insisted on these jewels being sold, and its failure in disposing of them is mainly attributable to Mohan Lal's unwillingness to sell them at the prices which were offered for them. Mohan Lal therefore is not now entitled to turn round and say that he should be credited with their value at the present market rate. At the same time it is now impossible to say what the actual value of these articles was, and, under the circumstances, we have no other recourse left to us than to recommend that the defendants may be allowed a set off against the Government debt to the extent of the valuation made at the time.

29. We have previously stated that the valuation of these jewels amounted to Chalni Rupees 4,72,100. It appears from exhibit 20, that, of these, jewels worth Rupees 34,100 were given to Sheo Narayan, Gumashta of Kishen Ram Mohan Lal, for sale. Exhibit 21 shows that, of the jewels so given, Sheo Narayan returned articles worth Rupees 16,900. Sheo Narayan would thus be held responsible for Chalni Rupees 17,200, but on further reference to exhibits 21 and 63, one article valued at Rupees 7,000 appears to have been made over to Kishen Das. Sheo Narayan was therefore responsible for Rupees 10,200. Out of this, Sheo Narayan paid Rupees 6,050 into the Treasury, and the defendants have been credited with this amount on the 7th Ardibehisht 1283 Fasli. There thus remained a balance of Rupees 4,150 due, and, if we were satisfied that Sheo Narayan took away the jewels on his own account, independently of Mohan Lal, we would not hold the latter responsible for them, but from the general conduct of Sheo Narayan in connection with the hypothecated jewellery, we came to the conclusion that he was all along acting as the agent of Mohan Lal. For this reason, we were, from the beginning, of the opinion that Mohan Lal is responsible for this sum. At first, Mohan Lal demurred to this, but subsequently, when, in the records found in the locked cupboard, unquestionable proofs of the transfer of these jewels into the possession of Mohan Lal were forthcoming, he changed his tone and admitted in exhibit 64 and subsequently in his deposition dated 16th Sharivar 1307 Fasli, that he was responsible for the sum of Chalni Rupees 4,150 due by Sheo Narayan. Thus, out of the jewels of the total value of Chalni Rupees 4,72,100, those valued at Rupees 4,150 were returned to Mohan Lal, so that their reduced value now amounts to Chalni Rupees 4,67,950.

30. The sum of Halli Sicca Rupees 5,14,387-7-10 credited in favor of the defendants in para. 25 of this report, includes a sum of Halli Sicca Rupees

1,31,199-15-9, equivalent to Chalni Rupees 1,44,320, realized from the sale of jewels through the following persons :—

			Rs.
1.	Hargopal Das	...	94,070
2.	Sheo Narayan	...	6,050
3.	Kishen Das	...	44,200

From our investigation it appears that the sums realized through Hargopal Das are smaller than those credited in his name, while those paid by Kishen Das are larger by the excess amount credited in the name of the former. We also find that Kishen Das should, in addition, have been credited with another sum of Rupees 15,000 ; but these are matters which we shall discuss when dealing with the respective liabilities of Hargopal Das and Kishen Das to Government. So far as defendants Nos. 1 and 2 are concerned, it is sufficient for us to state that they have already been credited with the value of a portion of their jewellery which amounts to Rupees 1,44,320, and this sum has therefore to be deducted from the total value of their jewellery amounting to Rupees 4,67,950. The result is a net balance of Chalni Rupees 3,23,630 and this, when converted into Halli Sicca Rs. amounts to 2,94,209-1-6. Out of this amount, another sum of Halli Sicca Rupees 582-12-0 has to be deducted, which, having been recovered from the heir of Kishen Das, has been credited to the defendants and is included in the sum of Rupees 5,14,387-7-10 already referred to. There thus remains a balance of Halli Sicca Rs. 2,93,626-5-6. This amount, the defendants are entitled to have set off on account of the value of their jewels against the claims of Government.

31. Under the head (d) fall the prices of the commodities supplied by the defendants to the Government. Nathmal Gobardhan Das was the contractor for supplying provisions, &c., for His Highness' Rathkhana and other establishments. The sums due by Government on this account were variously estimated by the defendants on different occasions. The amount due was hypothecated in satisfaction of the Government loan. In exhibit 2, the prices of these commodities were estimated at Chalni Rupees 3,00,000. Subsequently, in 1293 Hijri, this estimate rose to rupees 7,00,000 (Exhibit 25). Later on, Kishen Das, the Chief Gumashta of the firm and natural father of defendant No. 2, submitted a statement to the Accountant-General in 1302 Hijri, in which he alleged the money due on this account to amount to a little over 4,55,000. Leaving alone these estimates, let us see what is the actual amount due according to accounts. The Government representative, in para. 16 of his report, has entered into an elaborate discussion of the matter. It would appear from the various documents referred to by him that these accounts were in a very unsatisfactory state. An abstract statement, however, prepared in the Central Treasury may be regarded as containing a practically accurate account. According to this abstract, the total price of the commodities supplied amounts to Chalni Rupees 19,47,865-10-0. Against this have to be set off the various sums disbursed from the Treasury from time to time amounting to Chalni Rupees 17,65,128-11-6, leaving a balance of Rupees 1,82,736-14-6. According to the account submitted by Kishen Das in 1302 Hijri, the price of commodities supplied amounted to Chalni Rupees 20,06,559-2-9, an excess of Rupees

58,693-8-9 over the amount admitted by the Government. There is this difference however that while the Treasury accounts are supported by the subsidiary accounts submitted by the officers to whom the commodities were supplied, those submitted by Kishen Das are not supported by any vouchers at all. Defendant No. 2 also has not insisted on the correctness of the account submitted by Kishen Das and has admitted the correctness of the Government account, so far as the prices of the commodities are concerned. As regards the payments from the Treasury, Kishen Das admitted having received Rupees 15,51,128-11-6, whereas according to Treasury accounts the sums disbursed amount to Rupees 17,65,128-11-6. Government, therefore, claim an excess payment of Rupees 2,14,000. This excess is due to a sum of Rupees 1,80,000, principal plus Rupees 34,000 interest paid to Sheo Lal Moti Lal on account of the firm of Nathmal Gobardhan Das. Although Kishen Das did not allow a credit for this amount in the accounts submitted by him in 1302 Hijri, he admitted liability for the principal, Rupees 1,80,000, in his petition dated 22nd Rajab 1301 Hijri, and the accompanying statement (exhibits 28 and 29). The facts connected with this payment are these. The firm of Nathmal Gobardhan Das stated that, of the commodities supplied by the firm, articles valued at Rupees 1,80,000, had been provided by Sheo Lal Moti Lal, and prayed that the amount may be disbursed to him. On the adjustment of accounts, the latter claimed interest, and a final settlement was made for Rupees 2,14,000. Defendant No. 2, in his written statement, takes exception to this payment on the ground that it is not proved that Sheo Lal Moti Lal supplied any articles, and further states that admitting that Sheo Lal Moti Lal was entitled to the price of the supplies provided to the extent of Rupees 1,80,000, the Government cannot reasonably charge him with the amount of Rupees 34,000 paid as interest. With regard to the first objection, there is documentary evidence to show that Sheo Lal Moti Lal actually supplied articles valued at Rupees 1,17,444-13-0 from his own shop, as appears from the subsidiary accounts of Mir Jafar Ali Khan from 1277 to 1281 Fasli. This amount however does not of necessity represent the total value of his supplies, nor is the Government concerned with the details of the accounts between the two parties after the defendant's prayer that a sum of Rupees 1,80,000 be paid to Sheo Lal Moti Lal. Now, as regards the second objection, Government have actually made a cash payment of Rupees 34,000 for interest in accordance with the practice prevailing in those days, and there is no reason why it should suffer in a transaction which did not result in any profit to itself. We accordingly hold that the balance of Chalni Rupees 1,82,736-14-6 struck by the Government representative, is correct, and that the defendants are entitled to a set off of Rs. 1,66,124-8-6, its equivalent in Halli Sicca Rupees, against the Government claim.

32. Head (e) refers to a single item. Gunde Rao, Maktedar of Bachwar and Yellapur, Purgana Tekmal, District Medak, was a debtor of Kishen Ram Mohan Lal and the Maktas owned by Gunde Rao were in possession of the Sowcar in satisfaction of his debt. On the 22nd Jamadi-us-sani 1288 Hijri, the debtor struck a balance of Halli Sicca Rupees 6,380 in favor of the creditor. The Sowcar continued in possession for two years after that date, when he handed

over the *maktas* to Government and they were taken possession of in pursuance of an *ahkam* issued on the 17th Shavval 1290 Hijri. The balance then due by the debtor was alleged by the creditor to be Halli Sicca Rupees 7,000. Although the *maktas* thus came in the possession of the Government, yet, owing to the interference of Gunde Rao, the revenue realized barely sufficed to meet the Government quit rent, which is the first charge on lands held under the *makta* tenure. The matter having come to the notice of Government, the Sowcar stated that his debt had swelled to Chalni Rupees 19,359-5-3. Accordingly orders were issued to the First Talukdar of Medak to realize that amount in instalments of Rupees 2,000 per annum. In the meantime, Gunde Rao came forward and stated that he owed only Halli Sicca Rupees 7,000 on the 17th Shavval 1290 Hijri, out of which over Rupees 3,300 had been realized from his estate and he was willing to pay the remaining 3,600 and odd Rupees (*vide* Gunde Rao's *yad dasht*, dated 13th Safar 1303 Hijri on file No. 62, deposits, office of the Accountant-General). From subsequent correspondence in the same file, it appears that Gunde Rao objected to the sum of Chalni Rupees 19,000, alleged by the Sowcar to be due by him and insisted that he only owed Halli Sicca Rupees 7,000, of which a portion had already been recovered, and he was willing to pay the balance. The Government representative in para 20 of his report has discussed the matter in detail, and after admitting that the claim for Chalni Rs. 19,000 was preposterous, has recommended the following compromise :—

1. That the sum of Rs. 6,380 admitted due by the debtor on the 22nd Jamadi-us-sani 1288 be taken as principal.
2. That an equal sum be allowed as interest.
3. That from the total sum of principal and interest amounting to Rs. 12,760, Rs. 6,976-13-7 already realized by the Sowcar and the Government from the estate of the debtor, be deducted and a balance of Rs. 5,783-2-5 be recovered from Gunde Rao.

We accept the principle of the compromise proposed by the Government representative, but we hold that the debtor having subsequently admitted his liability to the Sowcar at Rs. 7,000 on the 17th Shavval 1290 Hijri, the amount of the principal should be fixed at that amount and not at Rs. 6,380. The amount of Rs. 6,976-13-7 realized from the estate of the debtor includes a sum of Rs. 1,627-12-9 recovered by the Sowcar previous to the 17th Shavval 1290 Hijri. This sum should therefore be deducted from the total sum realized, and the balance Rs. 5,349-0-10 represents the amounts collected by the Government. Deducting this amount from Rs. 14,000 representing the principal and interest due to the Sowcar, a sum of Rs. 8,650-15-2, or Rs 8,651 in round numbers, remains, which has to be realized from Gunde Rao. The sum of Rs. 5,349-0-10 has already been credited to the defendants and they are entitled to a further credit of Rs 8,651. It will be for the Government to recover the latter sum from the *maktas* of Gunde Rao, which are still in its possession.

33. Under the head (f) come two items of the debts of Sir Salar Jung transferred by the Government to itself, for which Treasury bonds were given to the defendants. The bond of Kishen Ram Mohan Lal amounts to Halli Sicca Rs. 2,15,711-5-0 and that in favour of Nathmal Gobardhan Das to Rs 73,616-7-9. The defendants are entitled to a set off of Rs. 2,89,327-12-9 on account of the principal of these two bonds.

These bonds bear interest at 4 annas per cent. per mensem, or 3 Rupees per cent. per annum. The interest calculated at this rate to the end of 1308 Fasli amounts to Rs. 80,586-2-3 on Mohan Lal's bond, and to Rs. 27,501-14-9 on the bond of Nathmal Gobardhan Das, making an aggregate sum of Rs. 1,08,088-1-0. Up to now we have only taken into account the principal sums on both sides, and so far as the present inquiry is concerned, we do not propose to make a final settlement of the accounts between the Government and the 1st two defendants. All that we have attempted to do is to fix the liability of the defendants for the various sums drawn by them from the Treasury and the moneys paid by the Government on their behalf to their creditors. Against this, we have set off the sums that have been realized by the Government from their estates as well as those that have to be credited to them on different accounts. The tangled web of complicated accounts has thus been unravelled, and up to the end of 1308 Fasli all items that could be traced have been taken into consideration and disposed of. There is however no such thing as finality as regards these transactions between the Government and the defendants. Government has not finally discharged its liability as surety to Sultan Nawaz Jung. Whatever money is hereafter paid to Sultan Nawaz Jung will have to be charged to the defendants. Then some of the properties hypothecated by the defendants will have to be sold and the proceeds credited to the defendants. Moreover, it is not unlikely that some more moneys may have been realized from the defendants' estates, which will have to be taken into account on information being communicated by the several departments concerned. It will thus be seen that it is impossible, just at present, to arrive at a final settlement of the defendants' accounts and we have therefore not thought it desirable, at this stage, to calculate interest on the items on either side. In addition to these, there is another reason why we think that the question of interest should remain open for the present. Defendant No. 1 has filed a claim against Government for Halli Sicca Rs. 1,17,93,140 on account of old debts consisting of Rs. 8,91,268 principal, and Rs. 1,09,01,872 interest. Whatever balance is therefore found due to the Government in the present claims will, of necessity, have to be set off against the 1st defendant's old claim, as the sale of the remaining properties hypothecated by the defendants is not likely to realize a sum large enough to satisfy even the greater portion of the Government balance. It will therefore be to the interest of both sides to postpone the final settlement of the interest of the present claims until the demands of the defendant against the Government have been inquired into. The course proposed by us applies generally to items on both the debit and the credit sides. But there ought to be an exception in favour of the bonds on account of the Salar Jung debts. When a special committee was appointed with the object of finding ways and means for the liquidation of these

debts, Government represented that, as large sums were due by the two defendants to the Government, no settlement could be arrived at with them until the Government claims against them were disposed of. It was thereupon resolved that adjustment of the Salar Jung debts with the defendants be held over till after the settlement of the Government claims. That settlement has now been arrived at by us, and we have proposed to set off the principal of the Salar Jung bonds against the principal of the Government claims. For obvious reasons, it is desirable to finally adjust the accounts so far as the Salar Jung debts are concerned, and to attain this object, it is necessary to make cross entries of the interest of these debts also. It is however not fair that the interest on these bonds should be set off against the Government principal. We are therefore of the opinion that, by means of cross entries, the interest on these debts should be debited to the defendants in the Salar Jung debt accounts, thus finally disposing of them; and the amount should be credited, not against the principal, but against the interest that may hereafter be calculated on the present claims. The amount of interest on the bond in favour of Kishen Ram Mohan Lal is Rs. 80,586-2-3. Of this, Rs. 66,209-12-10 have been credited to him against the Government principal in 1306 Fasli. In accordance with our present proposal, this amount should now be debited against the principal and credited in the interest account. There should, in addition, be a fresh entry of the remaining Rs. 14,376-5-5 on the credit side of the account of the Government claims. The interest on the bond of the 2nd defendant amounting to Rs. 27,501-14-9 should also be credited in the same account.

34. Having dealt with all the items for which the defendants are entitled to a set off, we now summarise the results. The following are the sums which should be set off against the principal of the Government claims :—

a.	Sums realized by the Government from the estates of the defendants and credited to them (para 25) ...	...	Rs.	a.	p.
			5,14,387	7	10
b.	Sums so realized but not credited to them (para 26) ...	...		
			55,919	4	11
c.	Value of the jewels hypothecated by them (para 30) ...	...		
			2,93,626	5	6
d.	Prices of the commodities supplied by them (para 31) ...	...		
			1,66,124	8	6
e.	Sums due by persons whose properties were handed over to Government by the defendants (para 32) ...	...		
			8,651	0	0
f.	Debts due by the Government to the defendants (para 33) ...	...		
			2,80,327	12	9
Total ...			13,28,036	7	6

Thus Rs. 13,28,036-7-6 have to be set off against the principal of the Government claims. Out of this, Rs. 5,14,387-7-10 have already been credited in the defendants' account, and Rs. 8,13,648-15-8 have now to be credited by means of cross entries as already indicated by us. In para 24 of this report, we have fixed the amount of the Government principal at Rs. 19,56,896. Deducting from this the sum of Rs. 13,28,036-7-6, we find that the balance due by the defendants amounts to Halli Sicca Rs. 6,28,859-8-6.

35. Of the properties hypothecated by the defendants, specified in exhibits 1 and 2, we have dealt with the value of the jewels, prices of the commodities, and the Salar Jung debts. Besides these, the proceeds of other properties which were subsequently handed over or pointed out by them have also been credited in their account. The remaining properties hypothecated by them as specified in the above two documents are as below :—

Serial Number.	Name of the defendant owning the property.	Description.	Number or quantity.
1	Nathmal Gobardhan Das.	Silladari Horses in the Hyderabad Lancers	150
2	Do.	House and garden situate in the City of Hyderabad	1
3	Do.	Houses situate in the Residency limits	Not specified
4	Do.	Shops and bungalows situated within Secunderabad Cantonment limits	Do.
5	Kishen Ram Mohan Lal.	Lachman Bagh	1

The number of Silladari horses hypothecated by defendant No 2 has now dwindled down to 65. The horses as they died were not replaced by the defendant and his interest in them has lapsed. Of the 65 horses now remaining, 63 are in the First Imperial Lancers and 2 in the Lancers Regiment of the Regular Troops. At the request of the Government representative, the Commander of His Highness' forces has been desired to keep the savings accruing, after deducting the expenses incurred in the upkeep of these horses, in deposit, and whatever money is thus accumulated will be credited to the defendants. As regards the horses themselves, we recommend that the defendants' interest in them be sold by public auction, and the proceeds applied to the liquidation of the Government debt.

The house and garden of Nathmal Gobardhan Das situated in the City is in a dilapidated condition and has long been under attachment in execution of a decree obtained by Sultan Nawaz Jung. The Government, having a lien on the house, are entitled to have it sold in satisfaction of their debt, but, as it has been

attached by order of a Court of Law, it will be necessary to seek the assistance of the Court. Should the Government resolve to have this house sold, it is not unlikely that tedious and troublesome litigation will have to be resorted to. As the claims of defendant No 1 on account of old debts are likely to cover the Government balance, we would suggest that Government should abstain from appealing to a Civil Court for redress.

The houses of defendant No. 2 situate in the Residency limits have not been specified in exhibits 1 and 2, but the terms used comprehend all immovable property of the defendant situate in those limits. On a reference to exhibit 88, it appears that there are in all 8 houses and mudgies situate in those limits, now in the possession of the defendant, 5 of which are in the Residency Bazaars and 3 in Hashmat Ganj. It will be for the Government to decide, in communication with the Resident, whether it is necessary to have them sold. It also appears that one house and one mudgi have been sold by the defendant to two different persons, and as Government will have to enter into a course of litigation to prove their right of lien to them, we would recommend that these properties should be left alone.

As regards shops and bungalows situated in the limits of the Secunderabad Cantonment, it appears from enquiries made by us that there was only one house at Bowenpally and this was sold by the present defendant for a sum of Rupees 1,000 (see exhibit 88 and the deposition of the defendant, Chunni Lal, recorded on the 15th Aban 1307 Fasli). As Government will have to apply for redress to a Civil Court in order to prove their right to this property (and we think that Government should, as a rule, abstain from entering into such disputes), we would recommend Government not to take any action in the matter.

The estate of Lachman Bagh hypothecated by defendant No. 1 was, at the time, valued at Rupees 1,00,000. There is a bazaar attached to this estate which yields some revenue. This estate was attached by Government and handed over to Muthavvar Jung Bahadur. This gentleman and his son Nawab Mukarrab-ud-Daulah Bahadur administered the estate for about 17 years and remitted to the Treasury Rupees 26,881-14-6 after deducting the charges for collection and maintenance of the garden and temple. This sum has already been credited to the defendants. Subsequently, Government ordered the Talukdar of Medak to take over charge of it. This estate remained all along in the first defendant's possession during the time that it was administered by Muthavvar Jung and his son and whatever sums were paid by him to Muthavvar Jung & Co., were remitted by the latter to the Treasury after deducting the charges for collection. The said defendant has also been in possession since its transfer to the charge of the First Talukdar of Medak, but has failed to remit any moneys to that officer. He has lately represented to the Commission that the estate is really a gift in trust for the God Balaji, and he hypothecated it in the hope that he would shortly be able to liquidate the Government debt and restore the estate to the trust. His expectations not having been realized, he now prays that the property be relinquished. Whether the property is a trust or not, the Commission is not in a position to determine, but it is a fact that there is a temple attached to the estate

and a large *jatra* is held every year. Under the circumstances, we refrain, for the present, from recommending the grant of the defendant's prayer, but, taking all the circumstances into consideration, we are of the opinion that the estate may be allowed to be administered by the defendant, who should submit periodical accounts of the receipts and disbursements to the Accountant-General. This arrangement may be allowed to continue until the final settlement of the accounts with the defendants is effected. Should any balance be then found owing by the defendants, the Government will consider whether this estate should be sold in satisfaction of that balance or not.

It appears that defendant No. 2 owned some shops and other property in Maharaj Ganj. These have been sold by him to different persons. As these properties were not specifically hypothecated in satisfaction of the Government loan, it would be useless to take any proceedings regarding them.

Besides the amounts specified by us in this report, it is likely that more sums may have been realized from the following sources, and it will be for the Accountant-General to ascertain what, if any, sums have been so recovered, and to cause them to be credited to the defendants :—

1. From their debtors in the districts.
2. From judgment debtors in the execution of their decrees in the Civil Courts.
3. Savings effected after defraying the expenses of the upkeep of the Silladari horses.

36. We have dealt with all the phases of the Government claims as affecting defendants Nos. 1 and 2 and now proceed to determine the liabilities of the remaining defendants. Ram Lal and others, heirs of Hargopal Das of the firm of Mahanand Ram Puranmal, have been joined as defendant No. 3. Exhibits 18 and 19 specify the articles of jewellery entrusted to Hargopal Das with the object of raising money on them, and Exhibit 62 specifies the terms on which these articles were taken by him. It appears from the last mentioned document that Hargopal Das took possession of jewels valued at Rs. 1,48,000 on the distinct understanding that he would mortgage them for a sum of Halli Sicca Rupees 80,000 and remit the money to the Treasury. The value of the jewels given in this exhibit amounting to Rupees 1,48,000 differs from that given in exhibits 18 and 19, the total of which aggregates Rupees 1,58,400. On a reference to the several documents concerned, we find that the prices of the following articles have been over-written in exhibits 18 and 19 as compared with those given in exhibits 15 and 16, to the extent of Rupees 10,500.

Name or description of article.	Value appraised as given in exhibit 15			Value appraised as given in exhibit 16.			Value over-written in exhibit 18			Value over-written in exhibit 19.			Excess.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
Satlara (necklace) of pearls. ...	25,000	0	0	...	...	...	...	...	...	35,000	0	0	10,000	0	0
Pair Kangan (wristlets) small.	...	...	...	1,500	0	0	2,000	0	0	...	...	...	500	0	0
Total Excess ...	...	...	...	...	...	...	...	...	...	...	...	...	10,500	0	0

It thus appears that the value of the jewels, the appraised value of which was only Rupees 1,47,900, was recorded in exhibits 18 and 19 at Rupees 1,58,400. Exhibit 62 indicates that this enhanced value was not recorded because of any subsequent appraisal, and this mistake was probably the result of clerical error. We would therefore put down the prices of these jewels at Chalni Rupees 1,47,900.

In exhibit 62 Hargopal Das undertook to mortgage these same jewels for a sum of Halli Sicca Rupees 80,000 and remit the money to the Treasury. Exhibits 52 and 53 however show that Hargopal Das did not keep to his engagement. He retained jewels valued at Rupees 52,900 in his own possession, and only mortgaged those worth Rupees 95,000 plus other jewels valued at Rupees 7,000 for a sum of Halli Sicca Rupees 80,004. Of the sum so realised by him from the mortgage, he only remitted Halli Sicca Rupees 78,182-3-0 equivalent to chalni Rupees 86,000 to the Treasury, thus retaining Halli Sicca rupees 1,821-13-0 himself (see exhibit 33). It would thus appear that the intentions of Hargopal Das were, from the outset, fraudulent. He induced the Government to believe that he could only raise Halli Sicca Rupees 80,000 on the mortgage of jewels valued at Chalni Rupees 1,47,900, whereas he actually raised that amount on jewellery of much less value, keeping the remaining articles in his own possession. Moreover, he did not remit the whole of this sum to the Treasury but retained nearly Rupees 2,000. Had Hargopal Das acted in good faith, the Government could not fairly hold him responsible for the difference in the value of the jewels and the money actually paid into the Treasury. Having however acted as he did, Government is entitled to realize the difference from him. As has already been stated, the value of the jewels entrusted to him was Chalni Rupees 1,47,900. Out of this, he paid a sum of Halli Sicca Rupees 78,182-3-0 equivalent to Chalni Rupees 86,000 into the Treasury. Government is therefore entitled to recover from his heirs a further sum of Chalni Rupees 61,900. The equivalent of this amount in Halli Sicca Rupees is 56,272-12-3, and we recommend that this amount be recovered from the heirs of Hargopal Das. The heirs of Hargopal Das (Mahanand Ram Puran Mal) have large claims against the Government, some of which have already been disposed of by the Commission, while others are pending inquiry. On the other hand, Government claim from them a large amount for

sums advanced to their firm from time to time. The amount of the present claim should therefore be added to the large outstandings already claimed. Then remains the question of interest on the balance due by the defendant. This question should be reserved till the final settlement of the claims of both parties.

In the Government accounts, Hargopal Das has been credited with a sum of Chalni Rupees 94,070 instead of the sum of Rupees 86,000, thus giving him an excess credit for Chalni Rupees 8,070. Looking into the details, we find that whereas according to Hargopal Das' account a sum of Halli Sicca Rupees 11,064-0-0 equivalent to Chalni Rupees 12,170 was paid by him into the treasury, on the 25th Shaban 1290 Hijri, corresponding with the 6th Azar 1283 Fasli, the entries in the Government account on that date give him a credit for Halli Sicca Rupees 18,400 equivalent to Chalni Rupees 20,240. Thus an excess credit for Halli Sicca Rupees 7,336 equivalent to Chalni Rupees 8,070 has been given him. This sum has therefore to be deducted from the credit given him, or to be debited to him. The fact however is that this amount was actually paid into the Treasury, and our surmise is that this payment was made by Kishen Das, to whom jewellery valued at over three lacs of Rupees was handed over for sale. Kishen Das is now dead and has not been represented before us. We have therefore not been in a position to make a final settlement of the accounts so far as he is concerned. Further on, we shall give our exparte views so far as his liabilities connected with these jewels are concerned. At present, it is sufficient to say that this sum of Halli Sicca Rupees 7,336 (Chalni Rupees 8,070) should be credited to Kishen Das. Appendix III attached to this report gives the liabilities of the heirs of Hargopal Das in the light of the decision arrived at by us.

There is one more point connected with the jewels entrusted to Hargopal Das. As has already been stated, a number of these articles were mortgaged by him for a sum of Halli Sicca Rupees 80,004. The person with whom this transaction was effected was Raja Gyangir Bahadur. The latter has frequently applied to the Government for the redemption of these jewels after the payment of his principal and interest. Government has all along repudiated its personal liability, and considering the nature of the transaction between him and Hargopal Das, Government cannot either legally or morally be held liable to him. We would therefore recommend the Government to inform the Rajah that it does not consider itself responsible for the transaction and that he is at liberty to take any legal proceedings that he may be advised against the heirs of Hargopal Das.

37. Defendants 4, 5 and 6 are jagirdars who owe money to Government for certain bills of exchange drawn on them by Kishen Ram Mohan Lal, which they honoured. Sardar Ali Khan, uncle of defendant No. 4 Abbas Ali Khan, honoured one bill of exchange amounting to Rupees 15,000, payable at the end of Zihijja 1288 Hijri (exhibit 68). Of this, Rupees 10,750-0-3 were recovered from 1283 to 1285 Fasli, leaving a balance of Rupees 4,249-15-9 still due. Abbas Ali Khan has been recognized as heir to Sardar Ali Khan, whose jagirs have been restored to him by Government. He is therefore liable for the balance due by his uncle. Abbas Ali Khan accepts the liability so far as principal is concerned, but he

deniurs to paying interest on the ground that there was no express stipulation for its payment. Although there was no stipulation to that effect, yet as Sardar Ali Khan and subsequently Abbas Ali Khan failed to abide by their contract, they are, in justice, bound to pay reasonable interest. As regards the rate of interest, we think we should not allow more than 6 per cent. per annum, which the laws of the country lay down as the highest rate to be charged in such cases. Calculating interest at this rate, it amounts to Halli Sicca Rupees 6,153-10-3, and adding the principal, the total claim against this defendant aggregates Halli Sicca Rupees 10,403-10-0. We accordingly hold this defendant liable to Government for the above sum. The details of this account will be found in Appendix IV.

38. The fifth defendant, Nawab Tahavvar Jung Rukn-ul-Mulk Bahadur Khan-i-Dauran honoured 2 bills of exchange amounting to Halli Sicca Rupees 58,000 payable on the last day of Zihijja 1289 Hijri (exhibits 70 and 71). Of this sum, Rupees 53,744 8-9 have been recovered and a balance of Halli Sicca Rupees 4,255-7-3 is still due. Nawab Tahavvar Jung Bahadur admits liability for these bills of exchange, but states that the balance due by him amounts to Rupees 3,431-5-9 and not to Rupees 4,255-7-3 as alleged on behalf of the Government (exhibit 69). He has not however been able to satisfy us on this point. We therefore admit the correctness of the amount of principal claimed by the Government. As regards interest, the defendant states that he has paid a portion to the defendant, Mohan Lal, amounting to Chalni Rupees 2,470-7-0 (exhibit 72), and for the balance prays that the Government will be pleased to relinquish it in consideration of the high position of defendant's family and his straitened circumstances. Defendant No. 1 admits having received Chalni Rupees 2,470-7-0, but alleges that this payment was made to him in liquidation of his own debt by the Nawab. Whether the Nawab paid this amount to Mohan Lal in liquidation of another debt or in payment of the interest on the Government claim, is not relevant to the question at issue. Mohan Lal was not an agent of the Government and any sums paid to him cannot be debited against the Government. Interest at 6 per cent. per annum amounts to Halli Sicca Rupees 6,806-8-3 and adding the principal to it, the whole aggregates Halli Sicca Rupees 11,061-15-6. We accordingly hold the 5th defendant liable for the above amount. The details of this defendant's accounts will be gathered from Appendix V. As regards the defendant's prayer for the relinquishment of interest, we see no reason to support him. The Government advanced cash from its Treasury on the distinct understanding that it would be repaid within a specified period. The defendant failed to carry out his undertaking, and Government is entitled to be recouped for the loss it has sustained by paying interest to its own creditors. In those days, Government could not raise money on less than 9 per cent. per annum. The interest charged to the defendant is only 6 per cent., so that Government will sustain loss even at the rate charged.

39. Defendant No. 6 is liable for the bills of exchange accepted by two persons amounting to Halli Sicca Rupees 47,000. His father, Nawab Daood Khan, honoured one for Rupees 40,000, and his uncle, Mohomed Ali Khan, accepted another for Rupees 7,000. The jagirs of both these persons have been restored by the Government to Mohomed Anwar Khan, and he is therefore liable for any balance

that may be due by them. Nawab Daood Khan paid Halli Sicca Rupees 36,236-6-0 in his lifetime, and the balance Rupees 3,763-10-0 was recovered from his son, the present defendant. There is therefore nothing due by this defendant so far as the principal of the bill of exchange accepted by his father is concerned, but he is liable for interest on sums that were recovered after the last day of Zihijja 1289 Hijri, that being the date on which his father's bill of exchange became due. As will appear from Appendix VI, this interest amounts to Halli Sicca Rupees 7,346-4-3 at 6 per cent per annum, and we hold this defendant liable for the above amount on account of the bill of exchange honoured by his father.

As regards the sum of Rupees 7,000 for the bill of exchange accepted by Mohomed Ali Khan, uncle of the defendant, no portion of this amount has been realized. The defendant states that the first defendant, Mohan Lal, is liable for this amount (exhibit 73). On inquiry we have ascertained that Mohan Lal was administering the jagirs of Mohomed Ali Khan on behalf of the latter, and the contention of the defendant is that on the jagirs being restored to his predecessor, Mohan Lal was allowed the debit of this amount in the accounts. There is nothing to prove the contention of the defendant. Moreover, the defendant being liable to the Government, no payment which was made by the defendant to his own agent could be set off against the moneys due to the Government. If Mohan Lal has received payment, the defendant should institute legal proceedings against him. We hold this defendant liable for the principal due by his uncle along with interest equivalent to the principal, namely, Halli Sicca Rupees 14,000. This defendant is therefore liable to Government to a total sum of Halli Sicca Rupees 21,346-4-3, viz., Rupees 7,346-4-3 on account of his father, and Rupees 14,000 on account of his uncle.

We give below an abstract of the amounts due by the defendants 4, 5 and 6 on account of the bills of exchange honoured by them or their predecessors. It will be observed that they owe to Government Halli Sicca Rupees 42,811-13-9 of which Halli Sicca Rupees 15,505-7-0 are for principal and Halli Sicca Rupees 27,306-6-9 for interest :—

Name of Defendant.	Balance principal due.			Interest.			Total.	
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a. p.
Abbas Ali Khan (para 37) ...	4,249	15	9	6,153	10	3	10,403	10 0
Nawab Tahavvar Jung Rukn-ul-Mulk Bahadur, Khan-i-Dauran (para 38) ...	4,255	7	3	6,806	8	3	11,061	15 6
Mohomed Anwar Khan (para 39)...	7,000	0	0	14,346	4	3	21,346	4 3
Total ...	15,505	7	0	27,306	6	9	42,811	13 9

We have now dealt with the liabilities of the defendants who have appeared and defended before us the claims preferred against them. There is, however, one party to these transactions who has not been represented. A number of articles of jewellery, valued at Chalni Rupees 3,14,000, were handed over to a jeweller named Kishen Das. This man is now dead and none of his heirs could be traced by the Commission till about the time when the enquiry was coming to a close. About the end of 1308 Fasli, the Accountant-General furnished the Commission with a statement of the moneys recovered from the estates of the first two defendants subsequently to the year 1301 Fasli and in this account was credited a sum of Halli Sicca Rupees 582-12-0 recovered by instalments from the mansab of a person who is believed to be the heir of Kishen Das. As the enquiry into these cases had practically ended at the time, the Commission did not think it desirable to protract it in order to put this heir of Kishen Das on his defence. The materials are at hand on which this claim can be based, and Government can hereafter file a separate suit against him. In the meantime we give the facts that have been gathered from exparte investigation. The following documents establish the Government contention that jewels valued at Chalni Rupees 3,14,000 were given over to Kishen Das :—

Number.	Description of document.	Value of jewellery handed over.		
		Rs.	a.	p.
1	Exhibits 21 and 65	7,000	0	0
2	List of jewels dated 3rd Zihijja 1290 Hijri (File No. 290 of the Central Treasury)	22,700	0	0
3	Exhibit 22	40,000	0	0
4	Exhibit 23	50,900	0	0
5	Exhibit 66	12,500	0	0
6	Exhibit 67	2,500	0	0
7	List of jewels dated 24th Jamadi-ul-avval 1294 Hijri, which were subsequently purchased by Government	50,800	0	0
8	Exhibit 63	1,12,600	0	0
9	Exhibit 27	15,000	0	0
Total ...		3,14,000	0	0

41. The above amount is not in accordance with the prices of the various articles of jewellery recorded in the documents referred to in the

preceding paragraph. We have arrived at the figures given in that paragraph by comparing the descriptions of the articles as given in these documents with those in exhibits 15 and 16, and wherever we have discovered differences in their values, we have abided by those recorded in the latter. We have frequently come across discrepancies even in the matter of the descriptions of these articles and, in such instances, we have fixed upon their identity by comparing the several lists. Having made these prefatory remarks, we proceed to discuss the several documents referred to at the end of paragraph 40. There is no discrepancy in the values of the articles recorded in the documents which have been marked as Nos. 1, 2 and 3 in the previous paragraph. There is, however, one point connected with No. 3, which may be referred to here. The values of the articles given in exhibit 22 amounting to Rupees 40,000 correspond with those given in exhibit 15, and so far there is no discrepancy, but it appears from Shanker Rao's Rukka dated 1st Safar 1293 Hijri (see file of the Central Treasury No. 290) that the stones in these articles were reset in constructing certain jewels for His Highness, and at that time they were appraised at a reduced value of Rupees 25,000, and defendants Nos. 1 and 2 were accordingly credited at this reduced amount for their value. We shall deal with the question of this subsequent appraisal in its proper place. We have, however, thought it necessary to refer to this matter in this place to avoid misunderstanding.

Referring to No. 4, we find that the value of the jewels given in exhibit 23 amounts to Rupees 51,400, whereas, on a comparison with exhibit 15, we find that their proper value is only Rupees 50,900. This increase of Rupees 500 is due to the enhancement in the value of one jewel called *tilari* evidently recorded in exhibit 23 through clerical error. We have, however, reduced it to its proper valuation and given the total amount of this exhibit at Rupees 50,900 instead of Rupees 51,400.

As regards No. 5, it appears from exhibit 66 that certain sovereigns whose appraised value as given in exhibit 16 was Rupees 12,500 were subsequently appraised at Rupees 13,200, thus enhancing their value by Rupees 700. For obvious reasons, we have given them the same value as was originally appraised, *viz*, Rupees 12,500.

In item No. 6 also there has been a similar increase in the value of sovereigns amounting to Rupees 78-10-0 (compare exhibits 16 and 67), and for similar reasons we have allowed the same value to them as is given in exhibit 16.

Item No. 7 refers to a number of articles of jewellery handed over to Kishen Das from among the jewels owned by defendant No. 1 for the purpose of resetting them in jewels required for His Highness the Nizam and Her Highness Vahid-un-nisa Begum Sahiba. The total value of these articles, as given in exhibit 15, amounts to Rupees 50,800, which differs from that given in a list dated 24th Jamadi-ul-avval 1294 Hijri, on file No. 399 for 1296 Hijri of the office of Shankar Rao, by Rupees 19,700, the value of these jewels given in the latter

being only Rupees 31,100. The following are the details of the discrepancies in the value of the various articles :—

Name or description of articles.	Value as given in exhibit 15.			Value as given in the list.			Increase			Decrease.		
	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.	Rs.	a.	p.
Diamond Tiara (Sarpatti Almas) ...	28,000	0	0	15,000	0	0	...	...	...	13,000	0	0
Diamond necklace (Har Almas) ...	7,000	0	0	4,500	0	0	...	...	...	2,500	0	0
Diamond necklace (Champakali Almas) ...	1,700	0	0	2,000	0	0	300	0	0	...	...	...
Diamond necklace (Kantha Almas) ...	9,000	0	0	4,500	0	0	...	...	...	4,500	0	0
Total ...	45,700	0	0	26,000	0	0	300	0	0	20,000	0	0
Other articles in whose value there is no discrepancy ...	5,100	0	0	5,100	0	0	...	...	...	...	...	...
Grand Total ...	50,800	0	0	31,100	0	0	300	0	0	20,000	0	0

It will be observed that articles that were originally valued at Rupees 50,800 were subsequently reduced to Rupees 31,100. Going into details, we find that while at this second valuation the value of one article increased by only Rupees 300, the values of three other costly jewels depreciated to the extent of the considerable sum of Rupees 20,000. In this second valuation the hand of Kishen Das is palpably visible, who, having originally appraised these four articles at Rupees 45,700, subsequently reduced their value by Rupees 19,700 when he had to make profit out of them. Defendant No. 1 was no party to this second valuation, and as it was made by an interested party, the said defendant cannot be made to suffer on that account. We have accordingly allowed their original appraised value to stand against the name of Kishen Das.

Item No. 8 refers to a number of articles of jewellery handed over to Kishen Das on the 21st Shavval 1296 Hijri. The list then made, which has been marked as exhibit 63, only mentions the names of these articles without giving their value. It would seem that these were the only jewels then remaining in the possession of the Government, the others having already been given to Har-gopal Das, Sheo Narayan, and Kishen Das. Although the values of these articles have not been given in the list, we have arrived at them after eliminating the other articles already given to various persons, and by this process we have succeeded in fixing their collective value at Rupees 1,12,600.

Item No. 9 refers to 5 articles of jewellery, whose value, according to exhibits 15 and 16, would amount to Rupees 15,000, but which in exhibit 27 is

given at Rupees 12,434, thus diminishing it by Rupees 2,566. We have however allowed their original value to remain as against Kishen Das. It is in this manner that we have arrived at the figure of Rupees 3,14,000, representing the value of the jewellery given to Kishen Das.

42. Having determined the value of the articles of jewellery handed over to Kishen Das, we now proceed to set off the amounts received from him either in cash or kind. We find that Chalni Rupees 52,911-6-3 have already been credited in the accounts of defendants Nos. 1 and 2 for sums received in cash or kind from Kishen Das as per following details :—

1. On the 6th Azar 1283 Fasli, out of Rupees 20,240 received through Hargopal Das after deducting Rupees 12,170 credited to the latter (see para 36 of this report) ...	Rs.	a.	p.
	8,070	0	0
2. Paid by Kishen Das on the 30th Aban and 23rd Dai 1283 Fasli (<i>vide</i> exhibit 66) ...	13,200	0	0
3. Paid by Kishen Das on the 15th Farwardi 1283 Fasli (see Treasury statement) ...	6,000	0	0
4. Value of articles of jewellery worth Rs 40,000 (exhibit 22) credited to the first two defendants at reduced valuation, <i>vide</i> Shankar Rao's Rubkar dated 1st Safar 1293 Hijri, and <i>guzarish</i> of the Central Treasury bearing endorsement of His Excellency the Minister dated 3rd of the same month (see Central Treasury file No. 290) ...	25,000	0	0
5. Recovered from the mansab of the heir of Kishen Das and already credited to the account of defendants Nos. 1 and 2 Halli Sicca Rupees 582-12-0 equivalent to Chalni Rupees ...	641	6	3
Total Chalni Rupees ...	52,911	6	3

43. In addition to a total sum of Chalni Rupees 52,911-6-3 already credited through Kishen Das, the following sums amounting to Chalni Rupees 43,534, have also to be credited in pursuance of orders passed by the Government :—

First.—File No. 993 of Ramchandrar Rao's office contains a draft Rubkar No. 1933 addressed to the Accountant-General requesting him to make cross entries in the account of Kishen Das for jewellery given to him from the Government Toshakhana and those received from him. Both in the body of the Rubkar and the lists accompanying it, reference is made to jewels owned by Kishen Ram Mohan Lal handed over to Kishen Das, and the Accountant-General has been desired to credit Rs. 31,100 on account of those jewels. The same file contains a detailed list of jewels dated 24th Jamadi-ul-avval 1294 Hijri which were then valued at Rs. 31,100, and the order for crediting this amount evidently refers to the value of the jewels contained in that list. We have put down the value of these jewels at Rs. 50,800 in para 40, No. 7 of this report. Whether Rs. 19,700, the difference between the two values, should now be allowed or not is a question which we shall deal with hereafter. All that we have to say in this connection at this juncture is that the Accountant-General having been ordered to credit this amount on account of the value of Kishen Ram Mohan Lal's jewels, that order should now be given effect to. It appears from the Accountant-General's Rubkar No. 19 Miscellaneous, dated the 3rd Moharram 1297 Hijri, that he delayed giving effect to this order pending replies to his objections being received, which he made on an audit of the accounts, but Kishen Das having since died, no good purpose will be served by allowing the matter to be further delayed; and so far as this order for crediting Rs. 31,100 on account of Mohan Lal's jewels is concerned, we would recommend that it should be carried out without further delay.

Secondly.—In file No. 22 there is another order directing the Treasury Officer to credit Rs. 12,434 on account of Mohan Lal's jewels (*vide* Ramchandrar Rao's Rubkar No. 1012, dated 15th Ramzan 1294 Hijri). This order was not given effect to pending certain inquiries made by the Treasury Officer. As no reply can now possibly be received to these inquiries, it would be best to give effect to that order. It appears from exhibit No. 27 that the value of Mohan Lal's jewels was then appraised at Rs. 11,000, and yet an order for crediting Rs. 12,434 was given. To us it appears that the original value of these jewels was Rs. 15,000. We shall further on deal with the question whether an additional credit of Rs. 2,566 (the difference between Rs. 15,000 and Rs. 12,434) should be allowed or not. In this connection, however, we recommend that the order for crediting Rs. 12,434 be now given effect to.

41. In addition to the two sums of Rs. 52,911-6-3 and Rs. 43,534 already dealt with by us, there remains a further sum of Rs. 37,266, which in our opinion Kishen Das should be allowed credit for. This sum consists of 3 items as follows :—

1. Difference between the value of jewels given in exhibit 22 and their value actually credited ...		Rs.	a.	p.
		15,000	0	0
		Rs.	a.	p.
Original value ...	40,000	0	0	
Value allowed ...	25,000	0	0	
Difference ...		15,000	0	0
2. Difference between the originally ap- praised value of the jewels contained in the list dated. 24th Jamadi-ul- Avval 1294 Hijri. and the value al- lowed for them ...		Rs.	a.	p.
		19,700	0	0
		Rs.	a.	p.
Original value ...	50,800	0	0	
Value allowed ...	31,100	0	0	
Difference ...		19,700	0	0
3. Difference in the original value of the jewels contained in exhibit 27 and the value allowed for them ...		Rs.	a.	p.
		2,566	0	0
		Rs.	a.	p.
Original value ...	15,000	0	0	
Value allowed ...	12,434	0	0	
Difference ...		2,566	0	0
Total ...		37,266	0	0

The reduced values of these jewels were allowed because Kishen Das alleged that on sale they only fetched the prices subsequently credited or ordered to be credited for them. This second valuation which, according to Kishen Das, resulted in their sale, did not take place in the presence of Mohan Lal, nor is there any proof that the sale actually took place, and that previous to effecting the sale the consent of Mohan Lal had been obtained. Kishen Das was in those days entrusted with making jewels for Government, and he took away Mohan Lal's jewels with the avowed object of effecting a sale, but probably with the real intention of utilizing their materials in making Government jewellery. It was therefore his interest to represent that Mohan Lal's jewels did not fetch the prices at which they were originally valued by himself and another jeweller. A person in the position of Kishen Das, acting *bona fides*, would have taken Mohan Lal into his confidence. and, previously to effecting the so called sale, obtained his consent. But Kishen Das was anxious to make a profit at the expense of Mohan Lal, and the latter therefore was the last person to be

consulted in such a transaction. It is on this and similar grounds that we have allowed Mohan Lal and his co-debtor credit for the full value of their jewels as appraised at the time of their hypothecation. Now that we are dealing with the liabilities of Kishen Das, it would not be unfair to make him suffer for what he had done to make a gain for himself at the expense of others. The man is however dead and has evidently left no considerable or appreciable assets. It will not therefore serve any useful purpose to make matters more complicated by not allowing him credit for the full value of these jewels. We accordingly recommend that Kishen Das may be allowed credit for the sum of Chalni Rs. 37,266, representing the difference between the original value of these jewels and their so called sale value.

45. We now summarise the result of our opinion as regards the set off to be allowed to Kishen Das on account of the value of the jewels given to him:—

1. Amounts received from Kishen Das and already credited to defendants	Rs.	a.	p.
Nos. 1 and 2 (para 42) ...	52,911	6	3
2. Amounts ordered to be credited but not so credited (para 43) ...	43,534	0	0
3. Difference between value of certain jewels (para 44) ...	37,266	0	0
<hr/>			
Total ...	1,33,711	6	3
<hr/>			

Thus Rs. 1,33,711-6-3 have to be set off against a sum of Rs. 3,14,000, representing the value of the jewels taken by Kishen Das. The balance of Chalni Rs. 1,80,288-9-9 equivalent to Halli Sicca Rs. 1,63,899-0-0 still remains due. There are apparently no assets from which this large outstanding can be recovered. We would, however, recommend the Government to file a separate suit against the heir of Kishen Das, as it is possible that some assets may be discovered on an enquiry being conducted and the books of Kishen Das, if available, being gone through, although we fear that almost the whole of this large amount will even then have to be written off as a bad debt.

The balance that we have found due is only on account of the jewels owned by the first two defendants in this case. On referring to the files of Ramchandrarao's office, notably file No. 993, we, however, find that jewels belonging to Hussain-bin-Mohsin and others were also entrusted to him, and judging from the manner in which Kishen Das behaved in respect of the jewels owned by Mohan Lal, it is not improbable that a much larger sum will be found due by him, which, we fear, will prove to be irrecoverable.

46. The financial results of these transactions with the first two defendants may be briefly stated thus. The cash sums advanced to them and paid to their creditor, Sultan Nawaz Jung, amount to Halli Sicca Rs. 20,35,218-10-0 as below,

after deducting Halli Sicca Rs. 41,677-6-0, equivalent to Chalni Rs. 45,845-1-8, for interest included in exhibit 1 :—

	H. S. Rs.	a.	p.	Chalni Rs.	a.	p.
1. Cash included in exhibit 1 ...	11,31,818	3	0	12,45,000	0	0
2. Sums subsequently advanced to the defendants including the amount paid on the Jagirdar's <i>chitthis</i> ...	2,53,636	6	0	2,79,062	8	0
Total cash paid to the two defendants	13,85,454	9	0	15,24,062	8	0
3.* Sums paid to Sultan Nawaz Jung...	6,49,764	1	0	7,14,740	7	6
Grand Total ...	20,35,218	10	0	22,38,802	15	6

Against this the following sums amounting to Halli Sicca Rs. 6,18,882-0-10 have been realized in cash, leaving a balance of Halli Sicca Rs. 14,16,336-9-2 for adjustment :—

	Rs.	a.	p.
1. From the assets of the first two defendants (para 25) ...	5,14,387	7	10
2. From the Jagirdars (paras 37 to 39) ...	1,04,494	9	0
Total ...	6,18,882	0	10

Against this balance of Rs. 14,16,336-9-2, we have recommended the following sums amounting to Halli Sicca Rs. 5,84,826-3-5 to be adjusted by means of cross entries :—

	Rs.	a.	p.
1. Sums in deposit in Government Treasuries pending settlement (para 26) ...	55,919	4	11
2. Value of jewels purchased on behalf of Government through Kishen Das (paras 30, 43 and 44) ...	73,454	9	3
3. Price of commodities supplied by defendant No. 2 (para 31) ...	1,66,124	8	6
4. Amount of the Salar Jung bonds (para 33) ...	2,89,327	12	9
Total ...	5,84,826	3	5

	H. S. Rs.	a.	p.	Chalni Rs.	a.	p.
* Previous to the amicable settlement ...	3,25,000	0	0	3,57,500	0	5
Subsequent to that settlement ..	3,24,764	1	0	3,57,240	7	6

Deducting this amount from the balance given above, there remains a sum of Halli Sicca Rs. 8,31,510-5-9, which has yet to be recovered, and the following persons are held liable by us :—

	Rs.	a.	p.
1. Defendants Nos. 1 and 2 (para 34) ...	5,87,182	2	6
2. Venkat Gunde Rao (para 32) ...	8,651	0	0
3. Jagirdars, defendants Nos. 4, 5 and 6 (para 39) ...	15,505	7	0
4. The heirs of Hargopal Das, defendant No. 3 (para 36) ...	56,272	12	3
5. The estate (if any) of Kishen Das Jauhari (para 45) ...	1,63,899	0	0
Total ...	8,31,510	5	9

Of these, the amounts against Nos. 1 to 4 aggregating Halli Sicca Rs. 6,67,611-5-9 may be regarded as good debts, while that against No. 5 has to be looked upon as bad debt, the latter having apparently left no assets to meet this heavy demand. In other words, Government will eventually suffer to the extent of Halli Sicca Rs. 1,63,899-0-0 by these transactions. Even if the following sums assessed by us as interest against certain persons be set off against this amount, there will be a dead loss of Halli Sicca Rs. 94,915-3-3 to the Government :—

	Rs.	a.	p.
1. Against the first two defendants included in the balance struck against them (para 34) ...	41,677	6	0
2. Against the jagirdars (para 39) ...	27,306	6	9
Total ...	68,983	12	9

It may be that, when adjusting interest against defendants 1, 2 and 3, this loss may dwindle down to nothing, or possibly the whole transaction may result in some gain, but the fact remains that, at present, there is every prospect of Government losing a large sum because there are no assets from which it can be realized.

47. There is one more point connected with the liabilities of defendants 1 and 2, which it is necessary to touch upon. On the amicable settlement being effected with Sultan Nawaz Jung, the Government executed two *jokhams* or deeds of surety in his favour. In the first deed, the Government accepted liability on account of Mahanand Ram Puran Mal to the extent of Chalni Rs. 27,24,252, promising to pay the amount by annual instalments of Rs. 1,75,000 ; while in the second, liability to the extent of Chalni Rs. 4,07,345 was accepted on behalf of

* The total sum due by these defendants shewn in (para 34) is Halli Sicca Rs. 6,28,859-8-6. Deducting Halli Sicca Rs. 41,677-6-0 equivalent to Chalni Rs. 45,815-1-8 on account of interest included in exhibit 1, there remains a balance of Halli Sicca Rs. 5,87,182-2-6 for principal.

Kishen Ram Mohan Lal, with the promise that the debt would be liquidated by annual instalments of Rs. 25,000. In other words, Government accepted a total liability for the sum of Chalni Rs. 31,31,597-0-0 for these two firms, promising to liquidate the debt by annual instalments of Rs. 2,00,000. According to this arrangement, all sums paid to Sultan Nawaz Jung should have been debited to the two Sowcars in the proportion of 7 to 1. Referring to the accounts, we find that the total payments to Sultan Nawaz Jung amount to Halli Sicca Rs. 28,01,357-3-6, equivalent to Chalni Rs. 30,81,492-15-0. If the debits were made in terms of the two deeds of suretyship, they would stand against each Sowcar as below :—

Name of the Sowcar.	Amount in Halli Sicca Rupees.			Equivalent in Chalni Rupees.		
	Rs.	a.	p.	Rs.	a.	p.
Mahanand Ram Puran Mal	24,51,187	9	1	26,96,306	5	2
Kishen Ram Mohan Lal	3,50,169	10	5	3,85,186	9	10

And of the total principal remaining due to Sultan Nawaz Jung, amounting to Chalni Rs. 50,104-1-0 (= Halli Sicca Rs. 45,549-2-4), the proportionate balance against each Sowcar would be as follows :—

Name of Sowcar.	Amount in Halli Sicca Rupees.			Equivalent in Chalni Rupees.		
	Rs.	a.	p.	Rs.	a.	p.
Mahanand Ram Puran Mal	25,405	2	7	27,945	10	10
Kishen Ram Mohan Lal	20,143	15	9	22,158	6	2

We have, however, held in para 18 that the total sum due to Sultan Nawaz Jung amounting to Chalni Rs. 50,105-1-0 (= Halli Sicca Rs. 45,550-0-6), is on account of Kishen Ram Mohan Lal alone. This error is due to the circumstance that in the Treasury accounts all payments to Sultan Nawaz Jung were at first debited to Mahanand Ram Puran Mal and when the principal of the debt due by him was liquidated, the balance was debited to Kishen Ram Mohan Lal. The course followed by the Treasury officials is not only contrary to the terms of the two deeds of suretyship, but is likely to result in gain in interest to Mahanand Ram Puran Mal and corresponding loss to Kishen Ram Mohan Lal and his co-debtor Nathmal Gobardhan Das. We would therefore recommend that the Accountant-General be directed to have this mistake rectified. We also observe that the guaranteed debt of each Sowcar as shewn in the Treasury accounts includes annas and pies in each case in excess of the deeds of suretyship, thus increasing the total debt by one rupee. This mistake should also be rectified. In striking the balance against the first two defendants, we have, in order to avoid confusion, followed the Treasury accounts. We shall, however, make the necessary corrections.

tions on finally adjusting the defendants' accounts after the errors in the Treasury accounts have been rectified.

48. We would here invite the attention of Government to a matter which, though not directly affecting the claims under inquiry, has been brought to our notice. In para 26 of this report, we have discussed an item of Rs. 40,000 which was owing by Rajah Mansingh Rao Jado to the second defendant, and have recommended its credit to the first two defendants by means of cross entries. It appears from para 21 of the report of the Government representative that defendant No. 2 transferred another portion of his debt due by the Rajah, amounting to Halli Sicca Rs. 80,000, to Barak Jung, and the former agreed to pay the money with interest by instalments to the latter. As the Arab Jamadars of those days were in the habit of extorting money from their debtors by various means, Government stipulated that the instalments should be paid through its Treasury and that Barak Jung should not be allowed to use pressure on the debtor. Accordingly Halli Sicca Rs. 84,000 were paid from the Government Treasury to Barak Jung and his representative, Sultan Nawaz Jung, by seven annual instalments. Of the sums so paid, Rs. 43,708-5-3 were credited in the Government accounts to the end of 1302 Fasli, leaving a sum of Rs. 40,291-10-9 to be realized from the estate of the debtor. This sum, together with the corresponding interest, has yet to be realized from the estate of Mansingh Rao Jado, and we recommend that a final settlement be effected and the money realized, by making cross entries against the money in deposit in the Aurangabad Treasury, payable to the Rajah. Sultan Nawaz Jung too claims a large sum on this account. A settlement with the latter should also be made, any sum that may be found due to him being paid from the sum in deposit in the Aurangabad Treasury.

49. We have referred from time to time to the various complications that have arisen in connection with these transactions. Some idea of the difficulties which the Commission had to encounter may be formed from the circumstance that about 75 files of different offices and of various sizes had to be scrutinized. Conflicting accounts of the several transactions had to be reconciled, missing jewels traced, and the liabilities of the several parties to these claims apportioned on the basis of justice and fair dealing. The amount of labour and deliberation all this procedure involved, can only be briefly alluded to in a report of this nature. We regret, however, that this inquiry has resulted in actual pecuniary loss to Government, but the nature of the transactions themselves and the subsequent proceedings adopted by Government officials were such that, we are surprised, they did not entail more serious losses. The firm of Kishen Ram Mohan Lal was one of the oldest firms of Sowcars in Hyderabad. During the period antecedent to the administration of Sir Salar Jung Senior, when the Government was constantly in financial trouble, this firm had invariably come to its assistance by advancing loans. When Sir Salar Jung became Minister, he found the finances of the State in a chaotic condition and the credit of the Government gone. His earliest efforts were naturally directed towards rehabilitating the finances and the restoration of confidence in the monetary transactions of the State. With an empty Treasury, with creditors pressing for the repayment of their debts, and having to meet large demands for the ordinary and extraordinary expenses of the Government, this was no easy

task. He was, under the circumstances, obliged to appeal to the Sowcars for assistance; and among those who were foremost in loyally responding to his call was the firm of Kishen Ram Mohan Lal. His Excellency Sir Salar Jung regarded the assistance so readily rendered to his administration in the light of a personal service to himself. When therefore the firm of Kishen Ram Mohan Lal encountered monetary troubles, His Excellency's natural kindness of heart, his sense of gratitude and his statesmanlike foresight impelled him to come to its rescue and to advance moneys to restore the position and credit of the firm amongst the mercantile community. In doing so, however, he did not lose sight of his duty towards the Government of which he was the head. He obtained substantial securities for the repayment of the loans he advanced, keeping in reserve the large claim of the firm of Kishen Ram Mohan Lal for old debts as a set off against any balance that might eventually remain due after realizing the several securities and assets hypothecated by the debtor firms. So far His Excellency was on firm ground, guided as he was by his own foresight and judgment, and had he depended on himself, without seeking the assistance of others, no complications would probably have arisen. But His Excellency was naturally anxious to convert the assets into ready money, and, with this object in view, he trusted two well-known Sowcars, both of whom however proved deficient in the discharge of their trust. Hargopal Das was the head of an old and influential firm and was personally believed to be an upright man, while Kishen Das was a jeweller of repute commanding large credit in commercial circles. Sir Salar Jung therefore had no reason to distrust them. There are, however, assets to realize the balance due by Hargopal Das, but unfortunately no such assets apparently exist in the case of Kishen Das. The loss which the Government will inevitably sustain through trusting Kishen Das would be incurred by any firm of Sowcars dealing with due foresight and caution with a man whose business credit and reputation were above reproach.

50. In conclusion, we have again to bring to the notice of the Government the good services of Khaja Abdul Kadir, Assistant Accountant-General and Government Representative in the Commission. This officer rendered valuable assistance to the Commission in the inquiry into these complicated cases, and we trust Government will be pleased to mark its approval of his work by conveying to him an expression of His Excellency's satisfaction and promoting him to a higher grade in his department.

HYDERABAD-DECCAN,
Dated the 9th Tir 1309 Fasli.
15th May 1960.

(Sd.) IMAD JUNG,
Offg. Financial Secretary,
 MEMBER.

(Sd.) ASIF NAWAZ VANT,
Accountant-General,
 MEMBER.

(Sd.) RAGHUNATH PRASAD,
Judge, High Court,
 MEMBER AND SECRETARY.

APPENDIX No 1

Details of amounts realized from the assets of Kishen Ram Mohan Lal and Nathmal Kishen Lal, defendants, till the end of 1308 Fash.

Serial number	Description of assets	Sums realized till 1301 Fash as given in para 12 of the plaint			Sums realized after filing the suit			Total.		
		Rs	a	p	Rs	a	p	Rs	a	p
	<i>Kishen Ram Mohan Lal's properties</i>									
1	Jewels ...	1,31,199	15	9	582	12	0	1,31,782	11	9
2	Sir Salar Jung's private debt	91,672	8	3	...	...	.	91,672	8	3
3	Lachman Bagh ...	26,881	14	6	...		..	26,881	14	6
4	Debts due by Sied Yusuf and other Jama lais . . .	35,706	9	6	...	...	...	35,706	9	6
5	Debts due by ryots of Taluqas, Miscellaneous items, interest on civil decrees, etc. ...	1,21,860	7	6	30,662	6	7	1,52,522	14	0
	Total .	4,07,321	7	5	31,245	2	7	4,38,566	10	0
	<i>Deduct</i> cost of litigation to protect certain mortgaged property	...	...	...	1,665	0	0	1,665	0	0
	Balance ...	4,07,321	7	5	29,580	2	7	4,36,901	10	0
	<i>Nathmal Kishen Lal's properties</i>									
6	Sir Salar Jung's private debt ...	16,509	9	9	...	...		16,509	9	9
7	Debt due by Sied Jafar, Jamadar	20,000	0	0	...	..	...	20,000	0	0
8	Debt due by ryots of Taluqas, judgment debtors, etc .	29,892	8	3	11,083	11	10	40,976	4	1
	Total ...	66,402	2	0	11,083	11	10	77,485	13	10
	Grand Total ...	4,73,723	9	5	40,663	11	5	5,14,387	7	10

(Signed) RAGHUNATH PRASAD,

Member and Secretary of the Debt Commission.

APPENDIX No. 2.

Comparison of the list of the jewels hypothecated by Kishen Ram Mohan Lal and Nathmal Kishen Lal, defendants Nos. 1 and 2, with those of their sale :—

Serial number.	Description of papers	Price entered at the time of hypothecation		Price entered in papers named in column 2		Difference.		Net decrease	
						Increase.	Decrease.		
1	2	3		4		5	6	7	
		Rs.	a. p.	Rs.	a. p.	Rs.	a. p.	Rs.	a. p.
1	According to exhibit XVIII due by Hargopal Das Sahu	59,900	0 0	60,400	0 0	500	0 0		
2	According to exhibit XIX due by Hargopal Das Sahu	83,000	0 0	98,000	0 0	10,000	0 0		
	Total	1,47,900	0 0	1,58,400	0 0	10,500	0 0		
3	According to exhibits XXI and LXV due by Shree Narayan Gurushta of defendant No 1	10,200	0 0	10,200	0 0	.			
4	According to exhibits XXI and LXV due by Kishen Das Jeweller	7,000	0 0	7,000	0 0	.	..		
5	According to list dated 3rd Zilajja 1290 H. due by Kishen Das Jeweller	22,700	0 0	22,700	0 0				
6	According to exhibit XXII due by Kishen Das Jeweller	40,000	0 0	40,000	0 0				
7	Do. to do. XXIII .. do.	50,900	0 0	51,400	0 0	500	0 0		
8	Do. to do. XXVII .. do.	15,000	0 0	12,434	0 0		2,566	0 0	.
9	Do. to do. LXIII .. do.	1,12,600	0 0	1,12,600	0 0				
10	Do. to do. LXVI .. do.	12,500	0 0	13,200	0 0	700	0 0	...	
11	Do. to do. LXVII .. do.	2,500	0 0	2,568	10 0	78	10 0	.	..
12	Do. to the list dated 24th Jamadhel-awal 1294 H due by Kishen Das Jeweller	50,800	0 0	31,100	0 0	300	0 0	20,000	0 0
	Total	3,14,000	0 0	2,93,012	10 0	1,578	10 0	22,566	0 0
	Grand Total	4,72,100	0 0	4,61,612	10 0	12,078	10 0	22,566	0 0
								10,487	6 0

(Sd) RAGHUNATH PRASAD,

Member and Secretary of the Debt Commission.

APPENDIX No. 3.

Balance sheet of Receipts and Disbursements made by heirs of Hargopal Das, defendants No. 3, on account of certain jewels hypothecated by Kishen Ram Mohan Lal and Nathmal Kishen Lal, defendants Nos. 1 and 2, referred to in para 36 of the report of the Debt Commission :—

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
	DEBITS.						
1	As per list signed by Shanker Rao dated 13th Shaban 1290 Hijri, Exhibit XIX, the price of certain jewels belonging to Mohan Lal Sahu Rs. 98,000 from which there have been deducted the sum of Rs. 10,000 the excess over the value appraised at the time of hypothecation, i.e., the price of a pearl <i>Satlara</i> was entered in the said Exhibit Rs. 35,000 instead of Rs. 25,000.	88,000	0	0			
2	As per list signed by Shanker Rao dated 13th Shaban 1290 Hijri, Exhibit XVIII, Rs. 60,400, from which there have been deducted the sum of Rs. 500 the excess over the value appraised at the time of hypothecation, i. e., the price of a pair of small <i>kangans</i> (bracelets) was entered in the said Exhibit Rs. 2,000 instead of Rs. 1,500	59,900	0	0			
					*1,47,900	0	0
	CREDITS.						
3	On the 1st Azur 1283 Fasli, corresponding with 20th Shaban 1290 Hijri, Halli Sicca Rs. 51,000 equivalent to Chalni Rupees	56,100	0	0			
4	On the 4th Azur 1283 Fasli, corresponding with 23rd Shaban 1290 Hijri, Halli Sicca Rs. 16,118-3-0 equivalent to Chalni Rupees	17,730	0	0			
5	On the 6th Azur 1283 Fasli, corresponding with 25th Shaban 1290 Hijri, Rs. 20,240, from which Rs. 8,070 have been deducted according to the Sahu's accounts	12,170	0	0	†86,000	0	0
	Balance Rupees				61,900	0	0

(Sd.) RAGHUNATH PRASAD,

Member and Secretary of the Debt Commission.

* The total of the sums entered in the Exhibits referred to above are Rs. 1,58,400, and after deducting the excess of Rs. 10,500, there remains the sum of Rs. 1,47,900 which is less by Rs. 100 than the sum of Rs. 1,48,000 given in the receipt, dated 19th Shaban 1290 Hijri, signed by Hargopal Das and therefore the above total is approximately correct.

† The total receipts according to the Central Treasury accounts amounted to Rs. 94,070, but according to the statement and vouchers of heirs of Hargopal Das Shahu Exhibit XXXIII, Ramchander Rao's file No. 336 for 1290 Hijri and accounts of the firm of Hargopal Das Sahu, Exhibit XXXIV, contained in Ramchander Rao's file, 399 for 1296 Hijri; the actual amount paid by Hargopal Das, was Chalni Rs. 86,000 only and the excess of Rs. 8,070 was probably remitted to the Treasury by Kishen Das Jauhari.

(Sd.) RAGHUNATH PRASAD

APPENDIX No. 4.

The account of the amount due by the late Sardar Ali Khan, Jagir-holder. of Jaferabad, whose present representative is Abbas Ali Khan the defendant No. 4, on account of the *Chitthi*, Exhibit LXVIII, drawn on him, from 30th Zihijja 1289 Hijri, corresponding with 22nd Farwardi 1282 Fasli, till the end of Aban 1308 Fasli.

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
1	The sum originally payable on account of the <i>Chitthi</i> ... ..	...	.	...	15,000	0	0
2	Deduct payment in Bahman 1283 Fasli ...	4,000	0	3			
3	Do. .. Isfandar 1284 do. ...	1,950	0	0			
4	Do. ,, Khurdad 1284 do. ...	2,500	0	0			
5	Do. ,, Farwardi 1285 do. ...	2,300	0	0			
					10,750	0	3
	Balance of principal ...	...	...	...	4,249	15	9
6	Add interest from the end of Zihijja 1289 Hijri, corresponding with 22nd Farwardi 1282 Fasli till 21st Bahman 1283 Fasli on principal Rs. 15,000, at the rate of 6 per cent per annum, for 10 months ...	750	0	0			
7	Add interest from 21st Bahman 1283 Fasli till 1st Isfandar 1284 Fasli on principal Rs. 11,000, after deducting Rs. 4,000 paid on 21st Bahman 1283 Fasli, at the rate of 6 per cent per annum, for 12 months and 9 days ...	667	8	0			
9	Add interest from 1st Isfandar 1284 Fasli till 18th Khurdad 1284 Fasli on principal Rs. 9,050 after deducting Rs. 1,950 paid on 1st Isfandar 1284 Fasli, at the rate of 6 per cent per annum, for 3 months and 15 days ...	158	6	0			
	Carried over ...	1,575	14	0	4,249	15	9

APPENDIX No. 4.—(continued).

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a	p.	Rs.	a.	p.
	Brought forward ...	1,575	14	0	4,249	15	9
9	Add interest from 11th Khurdad 1284 Fasli till 19th Farwardi 1285 Fasli, on principal Rs. 6,550 after deducting Rs. 2,500 paid on 18th Khurdad 1284 Fasli, at the rate of 6 per cent per annum, for 10 months...	327	8	0			
10	Add interest from 20th Farwardi 1285 Fasli till 19th Sharivar 1307 Fasli, on principal Rs. 4,250 after deducting Rs. 2,300 paid on 19th Farwardi 1285 Fasli, at the rate of 6 per cent per annum, for 22 years and 5 months after deducting Rs. 1,465-15-9 in excess of the principal ...	4,250	4	3			
	Total interest ...				6,153	10	3
	Total amount due ...	...	...	...	10,403	10	0

(Signed) RAGHUNATH PRASAD,

Member and Secretary of the Debt Commission.

APPENDIX No. 5.

The account of the amount due by Nawab Tahavvar Jung Ashraf-ud-Dowlah Rukhn-ul-Mulk Khani-Dauran, defendant No. 5, on account of the *Chitthies*, Exhibits LXX and LXXI, from 30th Zihijja 1289 Hijri, corresponding with 22nd Farwardi 1282 Fasli, till the end of Aban 1308 Fasli.

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
1	The sum originally payable on account of the <i>Chitthi</i> dated 25th Rajab 1289 Hijri	50,000	0	0			
2	The sum originally payable on account of the <i>Chitthi</i> dated 11th Ramzan 1289 Hijri	8,000	0	0			
	<i>Deduct</i> —payments as detailed below :—				58,000	0	0
3	On 28th Dai 1282 Fasli, Chalni Rs. 9,500-2-5 equivalent to H. S. Rs. ...	8,636	8	0			
4	On 14th Bahman 1282 Fasli, Chalni Rs. 944-14-6 equivalent to H. S. Rs. ...	859	0	0			
5	In Farwardi 1282 Fasli, Chalni Rs. 14,527-14-4 equivalent to H. S. Rs.	13,207	3	9			
6	On 10th Ardibehisht 1282 Fasli, Chalni Rs 869-0-0 equivalent to H. S. Rs. ...	790	0	0			
7	On 8th Khurdad 1282 Fasli, Chalni Rs. 8,018-9-6 equivalent to H. S. Rs. ...	7,289	9	0			
8	In Tir 1282 Fasli, Chalni Rs. 5,791-8-0 equivalent to H. S. Rs. ...	5,265	0	0			
9	In Amardad 1282 Fasli, Chalni Rs. 6,161-1-6 equivalent to H. S. Rs. ...	5,601	0	0			
10	On 13th Mihar 1283 Fasli, Chalni Rs. 4,065-14-0 equivalent to H. S. Rs. ...	3,696	4	0			
	Carried over ...	45,344	8	9	58,000	0	0

APPENDIX No. 5.—(continued).

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
	Brought forward ...	45,344	8	9	58,000	0	0
11	On 6th Isfandar 1283 Fasli, Chalni Rs. 660-0-0 equivalent to H. S. Rs. ...	600	0	0			
12	On 25th Ardibihisht 1284 Fasli, Chalni Rs. 880 equivalent to H. S. Rs. ...	800	0	0			
13	On 20th Mibar 1284 Fasli ...	3,000	0	0			
14	On 25th Amardad 1284 Fasli ...	1,000	0	0			
15	On 19th Farwardi 1286 Fasli ..	1,000	0	0			
16	On 24th Ardibihisht 1286 Fasli ..	1,000	0	0			
17	On 31st Khurdad 1286 Fasli ...	1,000	0	0			
					53,744	8	9
	Balance ..	...	...	...	4,255	7	3
18	Add interest from 22nd Farwardi 1282 Fasli, till 10th Ardibihisht 1282 Fasli, on principal Rs. 35,297-4-3 after deducting Rs. 22,702-11-9 paid within the stipulated time up to 22nd Farwardi 1282 Fasli, at the rate of 6 per cent per annum, for 18 days ...	105	14	3			
19	Add interest from 11th Ardibihisht 1282 Fasli till the end of Khurdad 1282 Fasli on principal Rs. 34,507-4-3 after deducting Rs. 790 paid till 10th Ardibihisht 1282 Fasli, at the rate of 6 per cent per annum, for one month and 20 days ...	287	9	0			
	Carried over ...	393	7	3	4,255	7	3

APPENDIX No. 5.—(continued).

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
	Brought forward ...	393	7	3	4,255	7	3
20	Add interest from 1st Tir 1282 Fasli till the end of Tir 1282 Fasli, on principal Rs. 27,217-11-3 after deducting Rs. 7,289-9-0 paid till the end of Khurdad 1282 Fasli, at the rate of 6 per cent per annum, for 1 month ...	136	1	3			
21	Add interest from 1st Amardad 1282 Fasli till the end of that month on principal Rs. 21,952-11-3 after deducting Rs. 5,265-0-0 paid till the end of Tir 1282 Fasli, at the rate of 6 per cent per annum, for one month ...	109	12	3			
22	Add interest from 1st Sharivar 1282 Fasli till 13th Mihar 1283 Fasli, on principal Rs. 16,351-11-3 after deducting Rs. 5,601-0-0 paid till the end of Amardad 1282 Fasli, at the rate of 6 per cent per annum, for one month and 13 days ...	116	12	0			
23	Add interest from 14th Mihar 1283 Fasli till 6th Isfandar 1283 Fasli, on principal Rs. 12,655-7-3 after deducting Rs. 3,696-4-0 paid till 13th Mihar 1283 Fasli, at the rate of 6 per cent per annum, for 4 months and 21 days ...	297	6	0			
24	Add interest from 7th Isfandar 1283 Fasli till 15th Ardibihisht 1283 Fasli, on principal Rs. 12,055-5-7 after deducting Rs. 600 paid till 6th Isfandar 1283 Fasli, at the rate of 6 per cent per annum, for 2 months and 8 days ...	136	2	0			
	Carried over ...	1,189	8	9	4,255	7	3

APPENDIX No. 5.—(continued).

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
	Brought forward ...	1,189	8	9	4,255	7	3
25	Add interest from 16th Ardibihisht 1283 Fasli till 20th Mihar 1284 Fasli, on principal Rs. 11,255-5-7 after deducting Rs. 800 paid till the end of Ardibihisht 1283 Fasli, at the rate of 6 per cent per annum, for 5 months and 4 days...	288	8	0			
26	Add interest from 21st Mihar 1284 Fasli till 25th Amardad 1284 Fasli, on principal Rs. 8,255-5-7 after deducting Rs. 3,000 paid till 20th Mihar 1284 Fasli, at the rate of 6 per cent per annum, for 10 months and 4 days ...	418	0	0			
27	Add interest from 26th Amardad 1284 Fasli till 19th Farwardi 1286 Fasli, on principal Rs. 7,255-5-7 after deducting Rs. 1,000 paid till 25th Amardad 1284 Fasli, at the rate of 6 per cent per annum, for 19 months and 25 days ...	719	9	3			
28	Add interest from 20th Farwardi 1286 Fasli till 24th Ardibihisht 1286 Fasli, on principal Rs. 6,255-7-3 after deducting Rs. 1,000 paid till 19th Farwardi 1286 Fasli, at the rate of 6 per cent per annum, for 1 month and 4 days ...	35	7	3			
29	Add interest from 25th Ardibihisht 1286 Fasli till the end of Khurdad 1286 Fasli, on principal Rs. 5,255-7-3 after deducting Rs. 1,000 paid till 24th Ardibihisht 1286 Fasli, at the rate of 6 per cent per annum, for 1 month and 5 days ...	30	10	6			
	Carried over ...	2,681	11	9	4,255	7	3

APPENDIX No. 5.—(continued).

Serial No.	Particulars.	Amount.			Total.		
	Brought forward ...	2,681	11	9	4,255	7	3
30	Add interest from 1st Tir 1286 Fasli till the end of Aban 1308 Fasli, on principal Rs. 4,255-7-3 after deducting Rs. 1,000 paid till the end of Khurdad 1286 Fasli, at the rate of 6 per cent per annum, for 22 years and 5 months Rs. 5,724-9-6 and deducting Rs. 1,469-2-3 in excess of the principal ...	4,255	7	3			
		.			6,937	3	0
	Total ...	...	....	...	11,192	10	3
	<i>Deduct-counter-interest of the payments made within the stipulated time as given below :—</i>						
31	From 28th Dai 1282 Fasli till 22nd Farwardi 1282 Fasli, on principal Rs. 8,636-8-0, at the rate of 6 per cent per annum, for 2 months and 24 days	120	15	0			
32	From 14th Bahman 1282 Fasli till 22nd Farwardi 1282 Fasli, on principal Rs. 859-0-0, at the rate of 6 per cent per annum, for 2 months and 8 days ...	9	11	9			
					130	10	9
	Grand Total of the amount due ...	...	....	...	11,061	15	6

(Signed) RAGHUNATH PRASAD,
Member and Secretary of the Debt Commission.

APPENDIX No. 6.

The account of the amount due by Mohomed Anwar Khan, defendan No. 6, on account of the *chitthi*, date 15th Rajab 1289 Hijri, drawn on and accepted by Nawab Daood Khan, Jagir-holder of Teemorli, father of the said defendant, from 30th Zihijja 1289 Hijri, corresponding with 22nd Farwardi 1282 Fasli, till the end of Aban 1308 Fasli :—

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
1	The sum originally payable on account of the aforesaid <i>chitthi</i>				40,000	0	0
	<i>Deduct</i> —payments as detailed below :—						
2	On 30th Khurdād 1282 Fasli Chalni Rs. 4,950 equivalent to H. S. Rs. ...	4,500	0	0			
3	At the end of Tir 1282 Fasli Chalni Rs 8,050 equivalent to H. S. Rs. ...	7,318	3	0			
4	On 18th Sharivar 1282 Fasli Chalni Rs. 2,000 equivalent to H. S. Rs. ...	1,818	3	0			
5	On 18th Azur 1283 Fasli Chalni Rs. 2,000 equivalent to H. S. Rs. ...	1,818	3	0			
6	On 11th Farwardi 1283 Fasli Chalni Rs. 3,100 equivalent to H. S. Rs. ..	2,818	2	9			
7	On 6th Ardibihisht 1283 Fasli Chalni Rs. 3,000 equivalent to H. S. Rs. ...	2,727	4	3			
8	On 15th Tir 1283 Fasli Chalni Rs. 880 equivalent to H. S. Rs. ...	800	0	0			
9	On 15th Sharivar 1283 Fasli Chalni Rs. 4,620 equivalent to H. S. Rs. ...	4,200	0	0			
	Carried over ...	26,000	0	0	40,000	0	0

APPENDIX No. 6.—(continued).

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
	Brought forward ...	26,000	0	0	40,000	0	0
10	On 28th Farwardi 1284 Fasli ...	2,272	11	9			
11	„ 5th Mihar 1285 „ ...	1,600	0	0			
12	„ 16th Ardibihisht do. „ ...	1,363	10	3			
13	„ 17th „ 1286 „ ...	5,000	0	0			
14	„ 24th „ 1302 „ ...	3,763	10	0			
					40,000	0	0
		.					
	Balance of Principal ...	...	.....		Nil.		
15	Interest from 22nd Farwardi 1282 Fasli till 30th Khurdad 1282 Fasli, on principal Rs. 40,000 at the rate of 6 per cent per annum, for 2 months and 8 days ...	453	5	3			
16	Interest from 1st Tir 1282 Fasli till the end of same month, on principal Rs. 35,500 after deducting Rs. 4,500 paid at the end of Khurdad of the said year, at the rate of 6 per cent per annum, for one month ...	177	8	0			
17	Interest from 1st Amardad 1282 Fasli till 18th Sharivar 1282 Fasli, on principal Rs. 28,181-3-0 after deducting Rs. 7,318-3-0 paid till the end of Tir 1282 Fasli, at the rate of 6 per cent per annum, for one month and 18 days ...	225	7	0			
	Carried over ...	856	4	3			

APPENDIX No. 6.—(continued).

Serial No.	Particulars.	Amount.			Total.		
		Rs.	a.	p.	Rs.	a.	p.
	Brought forward ...	856	4	3			
18	Interest from 19th Sharivar 1282 Fasli till 18th Azur 1283 Fasli, on principal Rs. 26,363-10-0 after deducting Rs. 1,813 3-0 paid till 18th Sharivar 1282 Fasli, at the rate of 6 per cent per annum, for 3 months ...	395	7	0			
19	Interest from 19th Azur 1283 Fasli till 11th Farwardi 1283 Fasli, on principal Rs 24,545-7-0 after deducting Rs 1,818-3-0 paid till 18th Azur 1283 Fasli, at the rate of 6 per cent per annum, for 3 months and 23 days ...	462	3	9			
20	Interest from 12th Farwardi 1283 Fasli till 6th Ardibihisht 1283 Fasli, on principal Rs 21,727-4-3 after deducting Rs. 2,818-2-9 paid till 11th Farwardi 1283 Fasli, at the rate of 6 per cent per annum, for 25 days ...	90	10	0			
21	Interest from 7th Ardibihisht 1283 Fasli till 15th Tir 1283 Fasli, on principal Rs. 19,000 after deducting Rs. 2,727-4-3 paid till 6th Ardibihisht 1283 Fasli, at the rate of 6 per cent per annum, for 1 month and 3 days ...	119	4	0			
22	Interest from 16th Tir 1283 Fasli till 15th Sharivar 1283 Fasli, on principal Rs. 18,200 after deducting Rs. 800 paid till 15th Tir 1283 Fasli, at the rate of 6 per cent per annum, for 2 months ...	182	0	0			
	Carried over ...	2,105	13	0			

APPENDIX No. 6.—(continued).

Serial No.	Particulars.	Amount.		Total.	
		Rs.	a. p.	Rs.	a. p.
	Brought forward ...	2,105	13 0		
23	Interest from 16th Sharivar 1283 Fasli till 28th Farwardi 1284 Fasli, on principal Rs. 14,000 after deducting Rs. 4,200 paid till 15th Sharivar 1283 Fasli, at the rate of 6 per cent per annum, for 7 months and 13 days ...	520	5 0		
24	Interest from 29th Farwardi 1284 Fasli till 5th Mihar 1285 Fasli, on principal Rs. 11,727-4-3 after deducting Rs. 2,272-11-9 paid till 28th Farwardi 1284 Fasli, at the rate of 6 per cent per annum, for 5 months and 7 days...	305	14 3		
25	Interest from 6th Mihar 1285 Fasli till 16th Ardibihisht 1285 Fasli, on principal Rs. 10,127-4-3 after deducting, Rs. 1,600 paid till 5th Mihar 1285 Fasli at the rate of 6 per cent per annum, for 7 months and 10 days . . .	370	4 0		
26	Interest from 17th Ardibihisht 1285 Fasli till 17th Ardibihisht 1286 Fasli, on principal Rs. 8,763-10-0 after deducting Rs. 1,863-10-3 paid till 16th Ardibihisht 1285 Fasli, at the rate of 6 per cent per annum, for 1 year ...	524	4 0		
27	Interest from 18th Ardibihisht 1286 Fasli till 24th Ardibihisht 1302 Fasli, on principal Rs. 3,763-10-0 after deducting Rs. 5,000 paid till 17th Ardibihisht 1286 Fasli, at the rate of 6 per cent per annum, for 16 years and 6 days ...	3,519	12 0		
	Total Interest due ...			7,346	4 3

(Sd) RAGHUNATH PRASAD

